

**H.R. 974—THE DISTRICT OF COLUMBIA COLLEGE
ACCESS ACT AND S. 856—THE EXPANDED
OPTIONS IN HIGHER EDUCATION FOR DISTRICT
OF COLUMBIA STUDENTS ACT OF 1999**

HEARING

BEFORE THE
OVERSIGHT OF GOVERNMENT MANAGEMENT,
RESTRUCTURING AND THE DISTRICT OF COLUMBIA
SUBCOMMITTEE

OF THE
COMMITTEE ON
GOVERNMENTAL AFFAIRS
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CONTENTS

Opening statements:	Page
Senator Voinovich	1
Senator Durbin	3

WITNESSES

THURSDAY, JUNE 24, 1999

Hon. Thomas M. Davis, a Representative in Congress from the State of Virginia, and Chairman, Subcommittee on the District of Columbia, House Committee on Government Reform	4
Hon. Eleanor Holmes Norton, a Delegate in Congress from the District of Columbia, accompanied by Chartese Day, Student, George Mason University, Fairfax, Virginia	5
Hon. James M. Jeffords, a U.S. Senator from the State of Vermont, and Chairman, Senate Committee on Health, Education, Labor, and Pensions ...	8
Hon. Anthony A. Williams, Mayor, District of Columbia	16
Maureen A. McLaughlin, Deputy Assistant Secretary for Policy, Planning and Innovation, Office of Postsecondary Education, U.S. Department of Education	18
Patricia McGuire, Chairwoman, Government Relations Committee, Consortium of Universities of the Washington Metropolitan Area	21
Dr. Julius F. Nimmons, Jr., President, University of the District of Columbia .	23
Lucio A. Noto, Chairman of the Board and Chief Executive Officer, Mobil Corporation	25

ALPHABETICAL LIST OF WITNESSES

Davis, Hon. Thomas M.:	
Testimony	4
Prepared statement	30
Jeffords, Hon. James M.:	
Testimony	8
Prepared statement	36
McGuire, Patricia:	
Testimony	21
Prepared statement with attachments	50
McLaughlin, Maureen A.:	
Testimony	18
Prepared statement	42
Nimmons, Jr., Dr. Julius F.:	
Testimony	23
Prepared statement	75
Norton, Hon. Eleanor Holmes:	
Testimony	5
Noto, Lucio A.:	
Testimony	25
Prepared statement	87
Williams, Hon. Anthony A.:	
Testimony	16
Prepared statement	39

APPENDIX

Prepared statement of Paul Strauss, U.S. Senator, District of Columbia (Shadow)	29
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THURSDAY, JUNE 24, 1999

U.S. SENATE,
OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING,
AND THE DISTRICT OF COLUMBIA, SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 11:39 a.m., in room SD-342, Dirksen Senate Office Building, Hon. George V. Voinovich, Chairman of the Subcommittee, presiding.

Present: Senators Voinovich and Durbin.

OPENING STATEMENT OF SENATOR VOINOVICH

Senator VOINOVICH. Good morning. The hearing will come to order.

First, I want to apologize to everyone for the delay of the hearing this morning. One of the most frustrating things about being a U.S. Senator as contrasted to being the governor of the State of Ohio is that when I was Governor, I controlled my agenda and time; in the Senate, I am at the mercy of other people.

We welcome you to this hearing for the purpose of hearing two very worthy proposals—S. 856, the Expanded Options in Higher Education for District of Columbia Students Act, and H.R. 974, the District of Columbia College Access Act.

Senator Jeffords will be coming over after he is finished with his meeting, but we have with us this morning Representatives Davis and Norton, who are sponsors of H.R. 974, and we are very pleased to have you here. I want to congratulate you on the hard work and success in moving this important concept forward. I know that we are all working toward the same goal—providing students in the District with greater postsecondary opportunities.

I believe the tuition assistance concept that we will discuss here this morning is a welcome step toward providing the District's young people with a range of opportunities available to every other college-bound student in the Nation.

By itself, this is an exciting program, but when we consider the Pell Grants, the Federal Supplemental Educational Opportunity Grants, the Federal Stafford Loans, the Federal PLUS Loans, and the Federal Perkins Loans, which are already available to college-

bound students, and then include the private sector's new initiative, the D.C. College Access Program, it presents a fantastic opportunity for District students.

We can say to a ninth-grader in the city: You can go to college. To many students have thought that a college education was beyond their reach. But this new program, combined with the private sector scholarship and existing Federal aid, shows the District of Columbia's young people that college is in their futures if they are willing to work hard.

H.R. 974 and S. 856 are similar, and we are going to explore the different approaches of the two bills. I would like to applaud the sponsors of both bills for including tuition assistance grants to students who choose to attend private universities in the area. There are many great institutions in the metropolitan Washington area. I strongly support giving District students the opportunity to attend some of the finest schools in the Nation and am further delighted that students benefit from these schools while at the same time remaining at home.

Finally, I would like to applaud the private sector for stepping up to the plate for education. More than a dozen regional corporate citizens, including *The Washington Post* and Mobil Corporation, are successfully racing toward a \$20 million goal—think of that—\$20 million to help the District's public high school students prepare for and enter and graduate from college.

From my experiences as Mayor of Cleveland and Governor of Ohio, I am confident that the public-private partnership is one of the most important components of revitalizing any city. The quality education available in a city will dictate in large part the flow of residents into or out of a city.

Cleveland is the only city in the country that has been named an All-America City three times within a 5-year period. But when I was Mayor, I said to the citizens of our town that we truly are not an All-America City until we have an all-America school system. I think that is the message to all of our urban areas throughout this country. That is where the real challenge is today, in my opinion, in education.

The D.C. College Access Program is the perfect private sector complement to the tuition assistance program we are discussing today. The D.C. College Access Program will provide professional counsel to all D.C. public high school students and last-dollar financial awards to young people with the greatest financial need.

Often, money is important, but it is having that expert at the school who knows all the programs and can counsel that youngster and his or her parents about how to take advantage of the programs that are there.

This program is largely based on a program with which I am very familiar, the Cleveland Scholarship Program, which has helped nearly 90,000 high school students go on to college in Cleveland.

Again, I want to thank all the witnesses for being here this morning, and before I introduce them, I would like to recognize the Subcommittee's distinguished Ranking Member, Senator Durbin, for an opening statement.

Senator Durbin.

OPENING STATEMENT OF SENATOR DURBIN

Senator DURBIN. Thank you very much, Senator Voinovich. I am glad that we are having this hearing.

Let me say at the outset that I want to salute Mayor Williams. I believe that he has done an excellent job working with the various control boards and others that have an influence on the future of the District of Columbia. You are definitely moving in the right direction. I have seen dramatic progress in a short period of time, and I have every confidence that will continue.

Let me also add that the subject of this hearing, this tuition bill, is one which I whole-heartedly endorse as a part of the President's budget and the legislative creation of Congresswoman Eleanor Holmes Norton as well as Congressman Davis and Senator Jeffords, who will join us soon.

The young people in the District of Columbia are at a unique disadvantage in that they do not have opportunities that we have in Illinois and many other States to attend public institutions of higher learning and qualify for lower tuition rates as in-State residents. I am anxious to find a way to give them that opportunity.

I think that what we should focus on here, as well as the concept of tuition for D.C. residents, is how it will be paid for. By luck of the draw, I end up being the minority spokesman not only on this Subcommittee which authorizes the District of Columbia, but also on the Appropriations Committee for the District, so I have in both capacities more connection with the District than some Members of the Senate.

This afternoon, we will have a hearing on the D.C. appropriations bill, and there will be a proposal made that \$17 million be taken out of the Labor-HHS appropriation and given to the District of Columbia to pay for this tuition program. That is where I take exception. To take money out of the Labor-HHS appropriation bill at this moment in time is wrong for the following reasons.

We are \$8 billion short of meeting last year's spending goals under the budget resolution passed by the Republican Majority. It means that we face at this moment cuts at the National Institutes of Health, and in health and education programs across America, to the tune of \$8 billion. I am hoping that we can make up that difference, but to take \$17 million out of that appropriation at this moment and give it to the District of Columbia for tuition programs makes no sense when the D.C. City Council has announced that they have \$59 million they cannot figure out what to do with—not to improve the safety of streets, not to improve the schools in the District of Columbia, not to deal with the real life issues that people in the neighborhoods care about. So they want to give the \$59 million away in tax cuts.

So here we are, subsidizing the District of Columbia for a program where they already tell us they have \$59 million, and declare a dividend and give it back to the taxpayers in the District of Columbia. They have the money to pay for this tuition program. We do not need to take it out of Labor-HHS.

Thank you.

Senator VOINOVICH. Thank you, Senator Durbin.

I would now like to call on two of our panelists and start with Representative Tom Davis.

**TESTIMONY OF HON. THOMAS M. DAVIS,¹ A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF VIRGINIA, AND CHAIR-
MAN, SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA OF
THE HOUSE COMMITTEE ON GOVERNMENT REFORM**

Mr. DAVIS. Thank you, Chairman Voinovich, Senator Durbin, and Members of the Subcommittee, for this opportunity to testify before you today, and thank you, Chairman Voinovich, for scheduling this hearing.

I would like to ask unanimous consent that my entire statement be put in the record, and I will just address three or four issues straight up.

First, I think this is a good regional bill. It not only helps the District of Columbia. We are dealing with a region right now which is growing, where there is a shortage of high-tech workers and educational opportunities for people in the District of Columbia. We want them to be part of the growing economy, and right now, education is out of the reach of many of these D.C. residents. This is an opportunity to allow affordable college opportunity for kids who in many cases do not have that opportunity now.

As more and more people go to college and choose college as an option, it will become more of the thing to do. That is how you slowly change the culture in the inner cities, and I think this is a giant step toward doing that by making college affordable to them. They are still competing in the out-of-state schools as out-of-staters, so the admission criteria are a little tougher, although I understand there is some entertainment of perhaps reserving a few slots for District of Columbia students out of the out-of-state pool in a couple of neighboring States, and I think that will help.

We support clarifying language in terms of Congressional Budget Office scoring that defines residency more tightly than we did on the House side. Had we had the benefit of the Congressional Budget Office study, I think we would have made that change ourselves, so we would welcome any language you add to do that.

One question is do you do this in 50 States, or do you do this in 2 States. I think reasonable people can differ on this, and I think that if we go to conference on this, we would maintain some flexibility. Our goal here, though, was to provide as many affordable opportunities as we could for District of Columbia students, and 50 States obviously provide more opportunity than you will get in just 2 States. The rationale for 2 States is that Virginia and Maryland are next door, and these are the States from which the District originally came from, although there are universities in West Virginia and Delaware that are closer than many schools in Virginia.

On income caps, if I live in Virginia, and my kid gets into the University of Virginia or George Mason or William and Mary, there is not an income cap on my kids being able to pay in-State tuition through a university system; neither is there in Maryland. Why should there be for the District of Columbia if what we are trying to do is equalize educational opportunities for children in the District of Columbia as it is around the rest of the country?

We are, as I noted in my statement, basically the State Government for the City of Washington, and there are certain responsibil-

¹ The prepared statement of Mr. Davis appears in the Appendix on page 30.

ities that go with that. Although the city does not get a vote on the floor of the House or the Senate, they do pay Federal income taxes, and it is a unique jurisdiction by nature of the Constitution. I think it sometimes calls for some unique solutions to some of the problems that confront it, and I think this legislation offers that.

Finally, I think this should be administered by the District Government. This will be a priority. We want to try to entrust the city with more local decisionmaking. We have a new mayor, and I think it would be a slap in the face to put this in the Department of Education, where it could get buried along with a lot of other programs. The city needs this program; I think they want this program; they will benefit from it. And if the money does not cover all the opportunities, they can sort out the appropriate prioritization of who should go and should not, and at that point, the income caps. These are decisions the city should make, not here at the Federal Government level. Thank you.

Senator VOINOVICH. Thank you, Congressman. We really appreciate the fact that you highlighted the issues that we are going to be discussing here today.

Now I would like to call on Representative Norton, please.

TESTIMONY OF HON. ELEANOR HOLMES NORTON, A DELEGATE IN CONGRESS FROM THE DISTRICT OF COLUMBIA, ACCOMPANIED BY CHARTESE DAY, STUDENT, GEORGE MASON UNIVERSITY, FAIRFAX, VIRGINIA

Ms. NORTON. Mr. Chairman, and Senator Durbin, I appreciate that you have called such an early hearing and for inviting Tom Davis and me to testify about a bill that we have worked very closely on in a most bipartisan form of collaboration.

We have also worked very closely with the President and with the First Lady and with the Department of Education, all of whom have given this bill priority.

I do want to correct the record. Mr. Durbin is under the impression that there would be money removed from the Labor-HHS appropriation and given to the District of Columbia. Never is money given to the District of Columbia. This money is in the Labor-HHS appropriation because it was added by President Clinton specifically to deal with this program. In other words, this is money that but for this program would never have been in the Labor-HHS budget.

We have worked very closely with the administration. The administration regarded this idea as a very important one, so that when Tom Davis and I began to work on the bill, the administration worked with us and worked with us with respect to the money, and the only reason it is in Labor-HHS is because it is an education bill, and that is why it is proper to transfer it, just to get it out at this point if that can be done.

I want to say how grateful I am that Senator Jeffords has taken a special interest in this bill. Senator Jeffords has shown nothing less than dedication to education issues in the District of Columbia, both when he chaired the Appropriations subcommittee and since he has never stopped or dropped that interest. I want to say that there is not a dime's worth of difference—perhaps I should say a million dollars' worth of difference—between his bill and ours. In

any case, Tom and I are certain we can work those differences out, because his bill and ours virtually amount to a consensus bill.

I would like to focus on two questions, briefly, which I think might clarify other questions. One is the purpose of the bill, and the other is the administration of the bill.

Actually, the bill has three purposes. What we are trying to do here is create a virtual State university system. We have a State university; we just do not have the kind of system that the residents of the 50 States have, and thus, the Framers in deciding that there should be a city that was not a part of a State for the convenience of the National Government left us without the mechanism for a State education system. It is the National Government which of course, has the capital at its convenience, which should, it seems to me, contribute to making up for this gap, which has had such an effect in denying equal access to higher education for the residents and for the young people of the District.

The second purpose of the bill is to assist our own State university, the University of the District of Columbia. We do that by a one-time-only contribution to allow it to be a funded Historically Black College and University. Then, of course, once having become formally an HBCU college, it becomes automatically eligible for those funds.

I cannot overemphasize how important it was that UDC be a part of this bill if we care about who is going to go to college in the District of Columbia. Many more will qualify to go to our open admissions university than will go out of State. Two-thirds of UDC students work, most of them could not go out of State, and we are very pleased that they have been included for a modest amount in this bill.

We never intended and could never have intended this bill to deal with the many problems of UDC, but it is most appropriate that they be a part of the bill.

A third purpose of the bill, of course, is to encourage residents to remain in this city. You can imagine what kind of incentive it is when a parent finds children in the 10th or 11th grade and realizes what is going to happen in a few years and how much that is going to cost the parents. All you have to do is walk across the line to Virginia, which has 39 State college and universities, or to Maryland which has 35. We think that is one reason we lost three times as many people in the 1990's as we lost in the 1980's, with the problems of the city, and then, with these additional disabilities, people just left. This will help us keep people.

Let us move to administration. With locally-driven purposes, we think local administration makes the best sense. Indeed, we think that the few differences between the Jeffords bill and ours are best settled and most rationally settled through local administration rather than through mandates from Congress when we really have absolutely no experience of the kind that would guide us in writing hard mandates into the bill.

Income and geographical elements come to mind particularly. I do not think we can reliably or responsibly draw either kind of line, but I think that Mayor Williams and his appointees could. I think we could get anomalies and unintended results, and I think we could even get unused funds in the early years, because we have

no idea who will apply, we have no idea who will be incentivized to apply, we have no idea who will transfer. The unknowns multiply.

As an example of unintended results, I cite section 5(c)(2) from the Jeffords bill which makes perfectly rational sense. In the Private University section, he says that in order to limit the amount of money, for rational purpose, they should be from adjacent counties. There are only two adjacent counties—Prince George's and Montgomery. We are not sure what happens to Virginia here, since you have to cross the river, and none of them is adjacent. Yet a number of the private institutions that will qualify are in Virginia.

What is most disturbing, however, is that language like that would keep any Historically Black College or University from qualifying to receive students based on this money. For Hampton, where we have sent 150 students this year—none of those students could get this money because it is not in an adjacent county.

Those are the kinds of things that could easily be worked out, though, below. We think that those issues are best calibrated at home rather than on the basis of guesstimates. We think that even income limits could fluctuate. We could have a year, particularly in the early years with the start-up required, where the income limits might be higher. Income should always drive this from the bottom up, with the lowest income getting the money first, and if there is money left over, to others, of course, based on income. But I do not think we would want to say here, with no experience, what that should be.

What we have in the Jeffords bill and in our bill is a consensus about all of the major elements. I want to say to you, Mr. Chairman, that parents and students are absolutely besieging my office, so much so that I have already spoken with Mayor Williams and asked him to do early action in case we do get the bill out so that we might even get some of the money flowing as early as the winter semester.

Senator VOINOVICH. Representative Norton, could you wind up, please?

Ms. NORTON. With your indulgence, Mr. Chairman, I wanted to ask if the student who accompanies me here could speak for a minute or two about the bill.

Senator VOINOVICH. Without objection.

I want to point out that Senator Durbin will have to leave, so I would like to move along and give him a chance to question the panel. And I would love to have you respond to his comments.

Please go ahead.

Ms. DAY. Good morning, Mr. Chairman and distinguished Members of the Subcommittee.

My name is Chartese Day, and I am a D.C. resident and a student. I am here today to ask for your full support of H.R. 974, the District of Columbia College Access Act.

I am a sophomore at George Mason University, a State school located in Fairfax, Virginia. I chose to attend this fine institution of learning because it is the only school in the country with an integrative and interdisciplinary studies degree program, New Century College.

Although I have a deep love for my educational pursuits, I am disheartened about the unequal status of the District of Columbia which places our students at a grave disadvantage. Every year, thousands of students in the 50 States and the District of Columbia set out for college. But there is a divider between these two groups of students that should be eliminated.

Students within the 50 States have the opportunity to attend in-State colleges and universities at in-State rates which are considerably cheaper than out-of-State rates. However, District of Columbia students do not have this privilege. Instead, we must pay astronomically high rates at private colleges within our city boundaries and very high rates at State colleges.

Last year, my family paid \$18,000 in out-of-State tuition fees compared to \$8,000 for in-State tuition—and my mother is a single parent as are many District of Columbia parents.

I was lucky that my mother worked hard for the means to send me to college last year. Many other students are not as fortunate as I and instead must sacrifice their dreams of higher education.

Last year, I had to pay \$10,000 more in tuition simply because the District of Columbia is not a State and does not have a State university system.

Today I am here to ask that you accept and support H.R. 974, The District of Columbia College Access Act, because it allows District of Columbia students to take advantage of in-State tuition rates at out-of-State colleges and universities.

In addition, I would like to ask that you also accept and support the grandfather clause within the bill as currently written, which would extend these privileges to District of Columbia students like me, already enrolled in colleges and universities.

I did not ask to be born and raised in the District of Columbia. My mother gave birth to me here. However, I am a proud Washingtonian and have a strong love for this extraordinary city which is the Nation's Capital. In the past, I have been denied Statehood, I have been denied a vote in Congress. I ask today that I no longer be denied a right to receive an affordable higher education simply because I do not live in a State.

Thank you for your cooperation and consideration.

[Applause.]

Senator VOINOVICH. Thank you very much. That was a very eloquent statement, and we are glad to have it. It is nice to have someone here who can talk about the experience that they have had and not having the opportunity that other students around the country do have. Thank you.

Senator VOINOVICH. Senator Jeffords.

TESTIMONY OF HON. JAMES M. JEFFORDS,¹ A U.S. SENATOR FROM THE STATE OF VERMONT, AND CHAIRMAN, SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Senator JEFFORDS. It is with some trepidation that I follow the previous speaker, because I am sure I cannot top her dissertation.

¹ The prepared statement of Senator Jeffords appears in the Appendix on page 36.

I am very pleased to be here. I think it is very exciting that we are considering doing what should be done for the young people of the District of Columbia. I am very positive that we will be able, as mentioned by Ms. Norton, to reach a compromise here, but I do have some matters that I think need attention. I would therefore ask that my entire statement be included in the record and will go through a shorter version.

Under the able leadership of the House, which has endorsed this bill without a dissenting vote, I certainly looked at it with care. The legislation that I have introduced and the measure approved by the House share the same goal, that is, the goal to provide the citizens of the District of Columbia with a greater range of options in pursuing postsecondary education by having the Federal Government offer support which, in other areas of the country, is provided by State Governments.

I am delighted at the level of interest and support that the D.C. tuition concept has received. Although the House and Senate bills are aimed toward the same objective, they differ in the design and administration of the program and the scope of the benefits provided. I would like to lay out the reasoning behind the approach I took, particularly regarding the scope of the program.

Briefly, my legislation has three components. One, it picks up the difference in cost between in-State and out-of-State tuition for D.C. residents who attend public postsecondary institutions in Maryland and Virginia. Two, it provides additional support to the one public postsecondary education institution in the District of Columbia, the University of the District of Columbia. And three, it offers support to those students choosing to attend private institutions in the District and neighboring counties, providing grants up to \$2,000 to help defray tuition costs.

I have nothing against reaching for the sky, but I will say that this proposal does not cover all the ground that the version approved by the House does. Basically, I felt that, in launching a brand-new program, it was best to develop a fairly simple foundation and try it out. I have also found it far easier to expand an effort in the future than it is to roll it back.

Moreover, I believe it is important to assure the program is reasonable in cost. With the tight discretionary spending caps enacted in 1997, there is not any "free" money. Spending in one area will mean fewer dollars are available in another. I therefore tried to design a program that would fall into the range of the \$17 million provided in the President's budget request for the D.C. tuition initiative. Based on preliminary estimates by the Congressional Budget Office, I believe that my legislation will achieve this goal if the residency provisions are tightened to avoid providing benefits to unintended recipients.

If there is a desire to make larger amounts available in order to finance a more generous program, then I believe those funds need to come from a source other than the Federal discretionary accounts. I have long favored a regional education approach to the D.C. metropolitan area. During the last Congress, I introduced legislation calling for the establishment of a regional education and workforce training system in the metropolitan area. The financing

mechanisms was a commuter tax, and needless to say, that idea did not get very far.

Nevertheless, I do not think such an approach should be ruled out as a means to offer additional support for students through a D.C. tuition assistance program. It has the additional advantage of ensuring that the funds are used to benefit the metropolitan area rather than simply being sent to Richmond or Annapolis as the present funds are. A tax rate as low as one-half of one percent would provide about \$100 million annually—an amount that would be more than adequate to extend the in-State tuition to all 50 States or to provide larger grants to students attending private institutions, or to support UDC.

Beyond that, it would also help fund the project that is now being called PREP, which is a regional educational system which could also improve education for grades K through 12.

The House-passed bill provides that the mayor will administer the program, while my legislation gives that responsibility to the Secretary of Education. I chose that route because the Department of Education has a great deal of experience with student financial aid and has well-established relationships with every institution of higher education in the country.

The mayor, on the other hand, would have to start from ground zero to develop the expertise and relationships necessary to ensure the smooth operation of the program. Particularly during the start-up phase of the program, I believe it is necessary to have experienced hands in charge. In putting together this program, mechanisms will have to be developed to deal with issues such as determining student eligibility, monitoring enrollment status, and tracking in-state and out-of-state tuition rates.

There are a number of pressing education issues facing the District of Columbia at this time, including the need to better manage special education programs. I do not want to be in the position of placing a new administrative responsibility on the District of Columbia at this time, particularly when a viable alternative is available.

At the same time, I understand the reasoning behind housing this program in the mayor's office. In fact, my legislation leaves this open as a possibility. In seeking a middle ground, my suggestion would be that the Secretary of Education be in charge of the program during the critical initial years when the basic operational system is designed and put into place. Then, after 3 or 4 years, the program could be transferred to the mayor upon his request. If he wanted to leave it there, he could leave it there.

At the end of the day, the precise language of any particular provision of my bill is not the issue. What is important is that we enact legislation which offers to District of Columbia students the best deal we can afford through a program which operates effectively and efficiently.

An investment in education is one of the most important investments that we as a society and we as individuals can make. There are boundless opportunities in the D.C. area for individuals with education and training beyond high school. D.C. residents should not be left behind in obtaining the capacity to take advantage of these opportunities.

I hope the Subcommittee will find aspects of my proposal useful in this regard, and I look forward to continuing to work with the Members in any way I can to assist in this very important project.

Thank you, Mr. Chairman.

Senator VOINOVICH. Thank you, Senator Jeffords.

I really think it is wonderful that, with all the other responsibilities that you have, you are interested in doing something for the District of Columbia and have been thinking about this for quite some time.

Because Senator Durbin has some other things to do, I will invite him to ask his questions first.

Senator DURBIN. Thank you, Mr. Chairman.

Let me explain that I am chair of the Illinois Delegation, which meets once a month in a bipartisan fashion to discuss our State issues, and so that is where I am headed, and I am sorry I cannot stay for the rest of this hearing, but I will review the testimony.

I would like to make one observation and then ask perhaps two very quick questions.

First, Congressman Norton, when you speak of the President's budget and the budget resolution before Congress, we are dealing with a theory and a fact. The theory of the President's budget was that we would have an additional \$10.4 billion to spend in Labor-HHS in the next fiscal year. The fact in the House budget resolution is that we are cut \$8 billion. That is the difference between theory and fact. The \$17 million the President called for in this program was part of a budget which had \$10 billion more to spend than we face now in Congress with the budget resolution, and that is the reason why I think that distinction should be made.

I would like to go to one particular issue here that seems to be an issue of disagreement. Beyond the question of whether or not a resident of the District of Columbia can attend colleges outside of Maryland and Virginia under this program, speak to the means-testing issue, if I could ask you to, and since both Senator Jeffords and Congresswoman Norton are familiar with 1-minute speeches in the House, if you could each take 1 minute to tell me why you think, Senator Jeffords, there should be a means test, and you believe, Congresswoman Norton, that there should not be a means test, I would appreciate it.

Senator JEFFORDS. Well, it is also combined with who administers the programs. I think you have to keep that in mind as well. But in my judgment, the ability for people to move around and the ability to be able to take advantage of the situation makes it essential that we start out in a sort of conservative manner rather than opening it totally up to everyone.

So I would hope that we would at least start off with a means test just to see what the response is, rather than just going ahead with it from the start.

Senator VOINOVICH. Congresswoman Norton.

Ms. NORTON. I do not think there is a difference between Senator Jeffords and myself. I am not opposed to a means test. My position is simply that we should look to see who applies and then apply any means test that may be necessary at that point. We are in a start-up program particularly because we are in a start-up program. To put a means test on it now without knowing anything

about the incomes of the people who may apply or whether we will have leftover money because we put to low a means test on it does not seem to me to make a lot of sense.

What I think we should do is instruct the mayor to do what he would do anyway, which is that if there is not enough money to go around—and there may be in the first year—I emphasize that—there may be in the first year—then of course, this money ought to be distributed on a means basis. If we put a figure in the bill, however, then I would like to know what we do if in fact we find that there are some students who would qualify, who might be over that income, and the money is there, but we deny it to them because Congress has put a means test on without the data available to indicate whether that is reasonable under all the circumstances.

So I do not disagree with means test. I just do not think we are in a position to put it on, and we should let it be done at the local level.

Senator DURBIN. If I could ask one follow-up, Senator Jeffords, that seems like a valuable suggestion, that if we put a means test—and we have established the figure of \$17 million, for example—and applying the means test, we find we do not have sufficient applicants to meet the \$17 million maximum, could we put language in here which would allow it to expand, then, to raise the income level to meet the \$17 million?

Senator JEFFORDS. You certainly could do that, and I have no disagreement with that. What I do not want to do is have an open-ended one and then have to send out notices to a few thousand young people saying, sorry, we do not have enough money to let you participate. I think it is better to start out in a cautious manner until we know what the demand is.

Moving around in this area is so flexible, you can just walk across the line, and you have an entirely different educational option. I do not know how much that will happen, but that is going to be a problem, regardless of the means-testing. So I would be very cautious starting out.

Senator DURBIN. Thank you. Thank you, Mr. Chairman.

Senator VOINOVICH. Thank you, Senator Durbin.

Getting at some of the issues in terms of the differences in the legislation, Senator Jeffords, you would like to limit the States' involvement in this to Maryland and Virginia; is that correct?

Senator JEFFORDS. That is our recommendation, again, to start off in a rather cautious way, rather than expanding those options, until we know what the demand is going to be. Sure, I would like D.C. students to come to Vermont—I have no problem with that—but I think we should start off making sure that we take care of the local institutions that have the willingness to provide for young people. Again, if the resources are there, that is another issue.

I would point out that I feel very strongly that since the city is now prospering—even thinking about tax cuts—that we should be mindful that the funding for this program comes from discretionary funds that are available to all the young people in the United States. If we cut into those funds, it could be a problem. That is why I suggest alternative ways of funding to expand the horizons dramatically not only for college-bound students but also for K through 12 assistance in the metropolitan area.

Senator VOINOVICH. One of the observations that I have made, and it is just anecdotal, is that I think there have been some complaints by the citizens of Maryland and Virginia that some of their kids have difficulty getting into their State schools. If you add the District of Columbia youngsters to that pool, it might make it more difficult for them to get in. In Ohio, for example, we have out-of-State students, and some of our own students are sometimes not as good academically as they should be, and they are asked to stay out for a year or two or go to some other school for a while. And I hear from the parents who say we should keep all these out-of-Staters out in order to give our own kids an opportunity.

I think the concept of expanding it beyond the two States would give the youngsters an option to reach out across the country and have, I think, perhaps more of an opportunity to get in than they might have if they were restricted just to those two States.

Would you like to respond to that?

Senator JEFFORDS. Again, I would only say that it is a matter of who is paying for it. If you have \$17 million allocated out of the White House budget, that is fine, or if the resources can come from D.C. general funds or whatever else with respect to their other priorities, I think you can adjust those boundaries to match your resources.

Senator VOINOVICH. Representative Norton.

Ms. NORTON. If I could respond to that as well, there was a front-page story in *The Washington Post* a couple of months ago that said that Maryland and Virginia are turning down their own residents for their State colleges in record numbers, apparently because the cost of college education today is sending so many people to apply to State colleges. I do not disagree in principle with Maryland and Virginia, but I think the point you raise, Senator, is an important one to bear in mind, that we could get another one of these unintended consequences with Maryland and Virginia tightening up on their own residents. Does that mean they are going to be open to the District of Columbia when we bring a whole new pool that would not have applied but for this bill?

Congressman Davis wanted me to tell you he had a vote, and that is why he had to leave.

Delaware and Virginia have parts of the State that are closer than many of the State universities in Maryland and Virginia. Again, we might well get where the Senator wants us to get, but could we get there not with statutory language but on the basis of local administration?

Senator VOINOVICH. I would like you to comment also on the difference of opinion about how the program should be administered. Why is it that you feel you would rather have it in the mayor's office than have it operated by the Department of Education, and do you have any suggestions as to how this might be compromised?

Ms. NORTON. I do, because I think that here, there is really very little difference. I think one bill says to be administered by the mayor in consultation with the Department of Education, and the other says to be administered by the Department of Education in consultation with the mayor.

I am sensitive to what the Senator said about not wanting to load another bureaucracy onto the District of Columbia. I do be-

lieve that putting the matter in the mayor's office on a home rule basis is the most efficient way to do it, and I think that the consultation with the Department of Education would indeed result in the sharing of their expertise of the kind that the Senator wants to see happen. He says they are the people who have some experience—that is absolutely right—and we have a very long history now, especially during this administration, of dealing directly on just this kind of consultive basis with the Department of Education. They are over in the District all the time, sharing with us in all manner of ways and helping to set up and reform our own operations.

So I really do not think there is a lot of difference, because the consultation is going to occur no matter which is chosen on a home rule basis, on a local autonomy basis. I would hope it would be placed in the District of Columbia with people from the Department of Education consulting and helping us to set up a program.

Senator VOINOVICH. Senator Jeffords.

Senator JEFFORDS. Just a brief comment. I would point out that the District of Columbia education system is finally coming along. It had one of the worst systems in the country, and it is now moving up rapidly. They had huge problems to deal with in the K through 12 area.

My suggestion to have the program administered to the Department of Education at least temporarily, and then, later on, give the option to the mayor. If he says, "I would like to take it over," he could take it over. That approach would relieve a very burdened educational system right now from having to take on the very difficult job of trying to administer all the new higher education aspects. I feel very strongly that it should start out with the Department of Education and then let the mayor, if he desires to take it over, have that option.

Senator VOINOVICH. In other words, your thought is that the program would be run by the U.S. Department of Education?

Senator JEFFORDS. Yes.

Senator VOINOVICH. And you mentioned that the school district is overburdened and has real challenges. It was my understanding that this program would be operated out of the mayor's office and not out of the—

Senator JEFFORDS. No. It would be operated out of the Department of Education. It could be either way. I do not think we have any strong feelings about what building it is in.

Senator VOINOVICH. My thought—maybe I misunderstood—is that the District of Columbia Department of Education would not be running this, but that it would be in the mayor's office, and the thought was that he would be assisted by, perhaps, people from the U.S. Department of Education.

The point I am making is that we are not going to be putting an extra burden on the back of the local school situation.

Senator JEFFORDS. I understand, and I think that is wise. I would guess you ought to talk to the Department of Education or the Secretary of Education to get from them their perspective on what would be the best way of how to handle that responsibility if they have it.

Senator VOINOVICH. Do either of you wish to make any further comments before we move to the next panel?

Ms. NORTON. No. Thank you very much, Mr. Chairman, for this hearing.

Senator VOINOVICH. I have one last question. I have received some letters of support and E-mails for this legislation, but we have received several letters in opposition to the concept for fear of its impact on UDC. Would you like to comment on that?

Ms. NORTON. Yes. Initially, there was some concern about the impact on UDC, and we cannot say what the impact will be on UDC except to say that there are two different pools of students. I indicated that two-thirds of the students at UDC work, and most of them could not leave town to go away to school if they wanted to. Many of them have family obligations here. In any case, we do not want to take the position in this city that in order to build up one part of our State university system, we want to deny educational opportunities to youngsters.

I am pleased that President Nimmons, the president of UDC, while a fierce advocate for his own institution, took the position that UDC should be for this bill, that UDC could compete for students. In any case, this bill is to serve the students of the District of Columbia. We have gotten UDC into this bill in a way that it would never have gotten into the bill but for this bill.

In other words, UDC has gotten an opportunity it never would have had if this bill to allow students to go out-of-State had not been put in. So if anything, UDC is ahead of the game precisely because students in the District of Columbia may get the opportunity to go out-of-State as well as have the choice of going to UDC.

Senator JEFFORDS. UDC can be a tremendous asset to this community, but it may have to change its direction in some way as far as how it handles the matter of curricula and so on. But I think it will be improved and will thrive under the arrangement that has been set up rather than in any way be disadvantaged by it.

Senator VOINOVICH. Thank you very much, both of you.

Our next panel includes Mayor Anthony Williams and Maureen McLaughlin.

Mayor Williams, it is nice to see you again. I had the opportunity of spending many hours with the mayor when he visited with me in Cleveland, and Mayor Williams, I am hopeful that you have some good ideas on how the private sector can be of some help to you here in the District.

Mayor WILLIAMS. Thank you, Senator.

Senator VOINOVICH. We also have with us Maureen McLaughlin, who is the Deputy Assistant Secretary for Policy, Planning, and Innovation with the Office of Postsecondary Education at the U.S. Department of Education. We are glad to you have with us today. We have been talking about who should run the program and so on, and we will be interested in hearing from you.

I would now like to call on Mayor Williams.

**TESTIMONY OF HON. ANTHONY A. WILLIAMS,¹ MAYOR,
DISTRICT OF COLUMBIA**

Mayor WILLIAMS. Thank you, Mr. Chairman.

I would also like to thank Senator Durbin for having been here and for you spending his time and attention on this important aspect of the District of Columbia's recovery.

I have said since my inaugural that our job here in the District of Columbia is to show that democracy can work in the District and on the road to full recovery and the realization of democracy to build community, to build the public/private sector partnerships that we saw, to invest in education as a foundation for what we want to do. In that respect, I agree with what our Congresswoman has said in that our students in the District are at a tremendous disadvantage when it comes to access to higher education.

I believe the College Access Act will help amend this discrepancy and put the District's students and their parents on an equal footing with the residents of the 50 States.

As you have mentioned, the new D.C. College Access Program, a public/private partnership between area corporations and public schools will now be offering up to \$2,000 in financial aid to qualified District students. As you know, similar efforts in Cleveland—where I visited last week—have seen 93 percent of involved students continue on to college or to vocational school.

But the D.C. CAP will not meet all of our needs. The District of Columbia College Access Act can make higher education feasible for all those in need of cutting university costs by 50 percent or more.

As we know, in recent years, we have lost tens of thousands of residents to surrounding suburbs in Virginia and Maryland. With the rising costs of higher education, the District stands to lose more and more families who relocate to other States to take advantage of a State higher education system.

Today in the District of Columbia, only one in three high school freshmen goes on to attend postsecondary education. But we know that a highly educated workforce is essential if we are to lay the economic foundation for the recovery that I talked about.

One provision of the proposed bill that is of utmost importance is the absence, I believe, of a means test. For residents of the 50 States, in-State tuition rates are not pegged to income. For example, in the State of Washington, if Bill Gates want to send his children to the University of Washington, he would pay in-State tuition. I believe there should not be a means test here in the District of Columbia.

I think that in the case of establishing a means test to begin with, you are going to have some disappointed families. If we were to have no means test, gauge the demand, process the requests and send denials on the basis of limited means, we would still have some disappointed folks. If we are going to have some disappointed folks, it seems to me we should at least have a program and a process where we exhaust all the resources available, because I think it would be tragic in the first year of the program to have sent

¹ The prepared statement of Mayor Williams appears in the Appendix on page 39.

away some folks without assistance and yet at the same time, ironically, have some money leftover.

Also, while I think there are two different ways to do this, I believe that putting this in the mayor's office is the way to go—not that we do not have other things to do, but I do believe that economic development—and I think this is an economic development tool and investment in children—it certainly is about investment in children—are cornerstones of our administration's efforts. Arranging the process and the operations in this way would not overburden the school system, because as you correctly pointed out, Mr. Chairman, the schools are not the responsibility of the mayor.

In fact, the staff of my office have already met with Deputy Assistant Secretary McLaughlin to discuss the Department's experience in administering the scholarship program, and we appreciate all the Department has done for us and look forward to working with them to make this College Access Program work.

Further, again, this is going to be pegged to means available. Ideally, I would like to see this apply to all 50 States. As Congresswoman Norton mentioned, and some other testimony is evidence, there is some notion that confining this to the two adjoining States puts pressure on in-State residents in other States. You would relieve that pressure by allowing our students to attend anywhere in the country. Furthermore, I think it once again, in the spirit of this act and legislation, situates our students similar to students in any other State.

I also believe that we must recognize in this bill the needs of our private institutions in the City that have done a good job to support our students. The assistance in some of the measures before you help to address that concern. They have done a lot to provide scholarship assistance, in-kind and other assistance for our graduates here in the District of Columbia. There is precedent in Virginia and other States for providing assistance to private universities, and I believe we should do this here.

I also believe—and I have done this in my own budget on a local basis—that we have to support the University of the District of Columbia as a key element of an overall State education system. I believe that we are doing this by providing initial capital funding, I believe we are doing this by providing for the first time an investment in endowment. We are also going to launch this summer the introduction of my nominations for a board of trustees of national caliber. All of these are efforts to support the university as it works to focus its mission as a flagship academic institution while also providing—regrettably, but we need to do this—remediation for many of our high school students. In addition, UDC is a continuing education arm for employees who are looking for upward mobility and the kind of work-to-work upward mobility that every city has to provide.

That concludes my remarks, Mr. Chairman, I would be happy to answer any questions you may have.

Senator VOINOVICH. Thank you very much, Mayor Williams. I think you really hit on some of the issues that are of controversy. Thank you.

Ms. McLaughlin.

TESTIMONY OF MAUREEN A. MCLAUGHLIN,¹ DEPUTY ASSISTANT SECRETARY FOR POLICY, PLANNING, AND INNOVATION, OFFICE OF POSTSECONDARY EDUCATION, U.S. DEPARTMENT OF EDUCATION

Ms. McLAUGHLIN. Thank you, Mr. Chairman. I am pleased to have the opportunity to appear before you today to share the administration's views on H.R. 974 and S. 856. I will summarize my testimony and submit the longer version for the record.

The administration strongly supports providing all District of Columbia residents access to a broad array of choices in postsecondary education similar to those available to residents of the 50 States. This would enable all District residents to attend affordable colleges and universities with a range of missions and strengths, and to tailor their educational experiences to meet their individual goals and needs.

To recognize the importance of this initiative, the administration included \$17 million in its fiscal year 2000 budget. Since that time, we have worked hard to ensure that this idea becomes a reality. We appreciate the bipartisan support that has surrounded this legislation from the start, and thank you for the opportunity to work with you on the structure of the program.

The administration is particularly pleased with three aspects of the bills before Congress. First, each bill addresses a critical shortage of public postsecondary education options in the District of Columbia by allowing residents to attend out-of-state public institutions at in-State tuition rates. This cornerstone provision would enable D.C. residents to enjoy the same diversity of affordable public postsecondary education that has been available to residents of all 50 States for many years.

Second, the administration is pleased that both bills would provide grants to District of Columbia residents who choose to attend private colleges in or around the city. Many strong colleges and universities are located right here in the District of Columbia and surrounding areas. Yet in many cases, District of Columbia residents have not been able to attend these institutions because of limited resources. Forty-eight of the 50 States recognize the importance of providing opportunities for their students to attend private colleges in their States and provide subsidies for this purpose.

Third, the administration continues its strong support for the University of the District of Columbia and is pleased that Congress has appropriated Federal financial support for the university. We recently worked with Congress to ensure that funds would be available to UDC without reducing funding for other Historically Black Colleges and Universities. We are now working with UDC to enable it to receive these funds in the near future.

Our goal is to provide greater access to a broad array of institutions of higher education to District of Columbia residents and to design the program in a manner that ensures congressional support over the years to come. We need to ensure that the tuition benefits that are provided are consistent, reliable and predictable.

To do this, the program must be designed in a way that will generate support for sufficient funding each year. In that vein, the

¹ The prepared statement of Ms. McLaughlin appears in the Appendix on page 42.

Congress has some concerns about the high cost of the House-passed bill and offers several suggestions for developing a program that meets the needs of District residents while ensuring sustainability over time.

The Department of Education estimates that H.R. 974 will cost \$37 million in fiscal year 2000 and that S. 856 would cost \$17 million in fiscal year 2000. We believe that the cost of the program as structured in S. 856 is more sustainable over time. A significant portion of the cost of the House-passed bill—almost \$11 million—relates to the provision that would allow students to pay in-State tuition amounts at any public institution across the country rather than limiting the scope to public institutions in Maryland and Virginia as supported by the administration and included in S. 856.

This aspect of H.R. 974 would provide a wider range of choices to District residents than are available to residents of any of the 50 States. Limiting tuition subsidies to residents attending public institutions in Maryland and Virginia would be more consistent with the options available to residents of any State.

There are 30 public colleges and universities in Maryland and Virginia, five of which have open admission policies. Furthermore, the administration of the program will be more complex if the administering entity must work with institutions of higher education from all 50 States rather than institutions in just two States.

Details regarding the costs of that particular provision are provided in my written testimony.

The administration also feels strongly that limited Federal resources must be targeted first to those students with greater need for assistance. Under H.R. 974, if funding is insufficient to cover the demand for tuition assistance, award amounts would be decreased for all eligible students. As drafted, the mayor would have no opportunity to utilize any other mechanism for targeting funds.

It is critical to the future of this program that the wealthiest D.C. residents do not obtain tuition assistance from a limited amount of funds at the expense of lower- and middle-income District of Columbia residents. Accordingly, we believe that some kind of priority funding mechanism, such as the means test contained in S. 856, must be included in the legislation ultimately enacted by Congress.

As I mentioned previously, we are very supportive of providing grants to students who choose to attend private colleges and universities. We believe, however, that H.R. 974 structures these grants in a way that is more generous than similar grants provided to residents of States. In most States, the grants are not available to students attending private institutions outside the States, the grants are not as large as \$3,000 per year, and they are typically provided on the basis of need or merit. S. 856 provides benefits that are more similar to other States.

We also believe, as do many others, that the residency requirements for students receiving benefits under either bill should be tightened to ensure that these benefits go to people with long-term commitments to the District of Columbia and not to students who come to the District of Columbia merely for the purpose of attending college.

Finally, because administering this program will be a complicated task, we would like to see H.R. 974 modified to provide maximum flexibility for the mayor and the Secretary of Education to determine how to best administer this program. Furthermore, we believe there must be adequate Federal authority added to the final legislation to monitor the program to ensure accountability of Federal funds. This is especially true because the program is likely to be supported exclusively by Federal funds.

In closing, let me again express how pleased we are about the level of support and commitment that has been generated by H.R. 974 and S. 856. The bills complement the efforts of the private sector, including the D.C. College Access Program. Working together, we can strengthen the Nation's Capital by realizing the potential of all D.C. high school students.

I would be pleased to answer any questions that you may have.
Senator VOINOVICH. Thank you very much.

Mayor, would you like to comment about some of the things that Ms. McLaughlin talked about—differences of opinion with the bill and the Department's approach to it?

Mayor WILLIAMS. In regard to this notion that if District students are given access in the 50 States at the rates that we are talking about to our private institutions, it would situate District students better than students in other States, I would just argue that while the spirit of this legislation is to situate us like any other State, we are not yet a State, and we are among the most taxed people on the Planet, and we are the Nation's Capital. All of those are special and unique circumstances which I think, while they do not require, certainly they contemplate a different kind of special, custom solution because we are the Nation's Capital.

Also, Senator Jeffords talked about using this as a launching pad and an initial model. I think everything we do in the District of Columbia should be about investing in academic development, and investing in children is a key part of that. I think that we in the District, as we invest in the University of the District of Columbia, should think about, by leveraging this Federal funding, local funding in the future to expand this program. That is certainly something that I would look at.

If it could be shown, for example, that for \$3,000 a year, you have a family living in the District, paying over a period of time far more in taxes, that is a good return on investment.

Senator VOINOVICH. Thank you both very much.

Our third and final panel includes Lucio Noto, Chairman and Chief Executive Officer of Mobil Corporation; Dr. Julius Nimmons, President of the University of the District of Columbia; and Ms. Patricia McGuire, Chairwoman of the Government Relations Committee of the Consortium of Universities of the Washington Metropolitan Area.

I am glad to have all of you here. Mr. Noto, I had an opportunity to meet with you prior to the hearing, and again thank you and the other private sector folks for stepping forward and participating in a very ambitious scholarship program to aid District of Columbia students.

I am not sure about my time. I am supposed to preside at 1 o'clock, and I will hear back in about 5 minutes. So what I would

like to do is to move quickly through your testimony, and if you could summarize, I would be grateful, and I apologize to you for the long wait that you have had in order to present your testimony before the Subcommittee.

I would like to call first on Ms. McGuire.

TESTIMONY OF PATRICIA MCGUIRE,¹ CHAIRWOMAN, GOVERNMENT RELATIONS COMMITTEE, CONSORTIUM OF UNIVERSITIES OF THE WASHINGTON METROPOLITAN AREA

Ms. MCGUIRE. Thank you, Mr. Chairman. I am pleased to be here with President Julius Nimmons from UDC on behalf of the Consortium of Universities which includes 12 major colleges and universities in the District of Columbia, Maryland, and Virginia, including UDC and my own institution, Trinity College. I also acknowledge the presence here today of Dr. Charlene Drew Jarvis, President of Southeastern University and Member of the Council of the District of Columbia, and the many students from all of our institutions who are here in the room with us.

I have prepared testimony which I would ask be entered into the record, and I will summarize a few key points in recognition of your time.

First, let me point out Chart A in the written testimony shows that the Consortium enrolls more than 7,000 D.C. residents as full-time undergraduate students, including 4,300 D.C. students in the three public universities and 2,700 D.C. residents in the nine private institutions, which is 39 percent of all District of Columbia residents in our institutions, which is twice the national average for private college attendance.

The Consortium supports Congressman Davis' bill, but we do want to be sure that this initiative also supports students who choose to attend college close to home, thus augmenting and not eroding the District of Columbia's talent pool and future workforce, which is the goal of any State's higher education program.

We have welcomed in particular that part of this legislation that strengthens UDC and that supports D.C. students who choose private colleges here.

We support the Davis bill and needs-testing and the geographic situation. I would like to offer a particular comment about the Tuition Assistance Grant Program for students who are D.C. residents attending private colleges. We ask the Senate to adopt the \$3,000 TAG provision of the Davis legislation which, in our testimony, we illustrate mirrors existing programs in Maryland and Virginia and elsewhere in the Nation. A smaller TAG would unfairly discriminate against D.C. students who stay at home to attend private institutions. While we do not favor a needs test, the simple fact exists that with one of the highest poverty rates in the Nation, the District of Columbia already has a surfeit of students with great economic need, and many District of Columbia students cannot afford the luxury of travel to out-of-State institutions.

Contrary to popular myths, many if not most of the D.C. students who choose private colleges in the District of Columbia are

¹The prepared statement of Ms. McGuire with attachments appears in the Appendix on page 50.

not wealthy elites. Private universities in D.C. already provide millions of dollars in grants to D.C. residents, and even this extensive aid is not enough. The Davis TAG grant would supplement, not supplant, the millions we are already investing in higher education of D.C. students.

To illustrate, let me call your attention to our own experience at Trinity College, one of the District's historic colleges, a 100-year-old Catholic college with a primary mission to women, now serving a student body that is more than 60 percent African American and Latino. Forty percent of our 1,500 students are D.C. residents; 28 percent of last year's freshman class were graduates of D.C. public schools. Full-time D.C. students at my institution receive average institutional grants of \$6,900. Trinity grants to D.C. students exceed \$1 million, which is 6 percent of Trinity's tiny budget of \$16.5 million. Last year, Trinity's institutional grant support for D.C. freshmen exceeded the total combined amount of Pell Grants and Federal loans taken by those same students.

Even with this considerable institutional aid, many of our D.C. students still face great financial stress. Some of our 18-year-old freshmen from D.C. work 30 to 40 hours a week—too many hours for young students who should be concentrating on their studies. Some of them have to drop out for financial reasons. The difference of \$3,000 through an in-State grant program would help to ensure academic persistence and academic success for students who are most at risk—low-income African American and Hispanic students who are graduates of the District of Columbia public schools who are striving to change their economic circumstances through earning a degree at the local college they choose for educational reasons.

We disagree with the CBO report that grossly inflated the likely cost of the TAG program. Based on our current enrollment of D.C. residents, we project an outer maximum of 3,000 participants in the TAG program. Chart C in my written testimony presents the bottom line. Based on regional high school graduation projections, we estimate the peak cost of the TAG portion of this program would be about \$7.3 million in the year 2003, for about 2,400 participants.

Regarding residency, we believe the loophole discovered by the CBO could easily be closed, either with a longer residency requirement or to require the student to be a D.C. resident at the time of enrollment or to require parental residency.

We urge this Subcommittee to amend H.R. 974 to clarify and strengthen the legislation. We urge you to enact the bill with the full understanding of the opportunities that exist right there in the Nation's Capital, which has been and continues to be one of the best college towns anywhere in the world.

Thank you, Mr. Chairman.

Senator VOINOVICH. Thank you very much for your testimony.

Dr. Nimmons, it is a pleasure to welcome you here today. I have been a fan of our Historically Black Colleges, and am not sure if you are familiar with my work in Ohio at Central State, but it looked like we were going to be losing one of our Historically Black Colleges, and we went to work, and it is now back on its feet, and I think it has a bright future. We are lucky to have—and you may

know him—Dr. John Garland, who is our president, whom we brought from Washington.

I commend you for your leadership and the contribution that your institution is making to the District, and I would like to hear your testimony.

**TESTIMONY OF DR. JULIUS F. NIMMONS, JR.,¹ PRESIDENT,
UNIVERSITY OF THE DISTRICT OF COLUMBIA**

Dr. NIMMONS. Thank you, Senator. I am familiar with that situation, and Mr. Garland, the new president, did come from UDC. At one point, he was with us.

I thank you for this opportunity, Mr. Chairman. Let me say first that I sit here at a great disadvantage. Among all the stakeholders in this noteworthy initiative, the University of the District of Columbia is the most needy and the most vulnerable of all, and I am concerned that in speaking out for our great institution, I stand the risk of appearing as a dissenter, when in fact I am deeply grateful that you are willing to put significant resources into supporting higher education for the citizens of the District of Columbia and that we are able to come together on this issue.

I am sincerely appreciative of this opportunity to voice the University's position on the tuition assistance bill and of the efforts of the 106th Congress to elevate higher education to the highest of priorities for the citizens of the District of Columbia.

Both the House and the Senate would like to put forth strong legislation that equalizes for District residents higher educational opportunities enjoyed by all other U.S. citizens. By design, the legislation would provide significant benefits for middle class, above-average students, and this is good for the city because it is one step in maintaining a solid middle class presence. Yet for the thousands of low-income students who continue to suffer poor educational attainment, whose parents can barely pay for daily living essentials such as housing and food, and who must rely on UDC to assist them in their quest for social participation and self-sufficiency, a major investment in the University is warranted. I am certain that we do not want to end up with what amounts to separate but unequal educational opportunity for the majority of the citizens of the Nation's Capital.

Congresswoman Norton has worked very diligently on our behalf to secure current year enhancement funding for the University in the amount of \$1.5 million, and she has advocated aggressively for our inclusion in the Department of Education's Title III program. We are truly grateful for this support.

I want to emphasize that the University is the State's system of higher education for the city. Upon first hearing of the proposed legislation, I have to tell you that the University community was terribly upset, for it appeared that another blow had been dealt to the institution. You see, we take great pride in what we have been able to accomplish. We have been hit hard at every turn in our plans to reconfigure the University into a modern, cutting-edge institution having to go so far as to shut down, albeit briefly, in order to regroup and move forward.

¹ The prepared statement of Dr. Nimmons appears in the Appendix on page 75.

Under the proposed legislation, the Congressional Budget Office has estimated that the University will require at least \$40 million to raise UDC's quality to the level of the premier public universities across the country. And they are right—we need more than \$40 million to elevate the University to 21st Century standards. For the past 30 years, Title III Higher Education Act provisions allowed Historically Black Colleges and Universities over \$1 billion in enhancement funding. The University has never received any of this funding—\$60 million that we should have had, but which was denied us because of concerns that our HBCU sister institutions would individually suffer some reduction in their annual payments if UDC were added to the eligible pool.

As we became an HBCU, Title III was rewritten to include a restriction prohibiting the University from participating based on the erroneous notion that the University received an annual direct appropriation from Congress as does Howard University at \$200 million per year. Nowhere in the language of the Federal payment authorization or subsequent appropriations bills accompanying this authorization does UDC appear. A very serious injustice was done to us.

Although surrounded by more than 11 higher education institutions, residents of the District of Columbia are not enrolled in these institutions in significant numbers. Roughly 100 District of Columbia residents are enrolled at the undergraduate level in each of these nationally-focused institutions with the exception of Howard University, Trinity College, and Southeastern University, with roughly 1,400 undergraduate District residents, respectively. Strayer College also enrolls a significant number of D.C.'s adult population.

Thus, UDC enrolls from 4 to 57 times the number of District residents present in the other institutions; 81 percent of our undergraduate students are District residents.

UDC currently offers a program in three of the five fastest-growing jobs requiring an associate's degree, five of the seven fastest in the bachelor's level; 12 of the fastest in the baccalaureate level; and four of the five fastest-growing jobs requiring a master's degree. The institution is responding to regional demand for trained talent in high-demand areas while placing otherwise neglected minorities on the path to full participation. And our students remain in the area, sustaining the middle class base we all covet.

In summary, it is time for the University of the District of Columbia to receive the kind of financial investment that allows it to prosper and thrive. Your commitment in funding to the University is a proactive step in the right direction. Give us a chance to grow and develop without interruptions, without seriously damaging budget reductions. Give us all the modern technologies, equipment and infrastructure we need to get the job done.

Thank you, sir.

Senator VOINOVICH. Thank you.

Our next panelist is Lucio Noto, who is Chairman of the Board and Chief Executive Officer of Mobil.

Mr. Noto, again, thank you for being here today and thank you for your leadership.

**TESTIMONY OF LUCIO A. NOTO,¹ CHAIRMAN OF THE BOARD
AND CHIEF EXECUTIVE OFFICER, MOBIL CORPORATION**

Mr. NOTO. Mr. Chairman, thank you very much for this opportunity.

I am here representing 16 Washington, D.C. area private companies and foundations who have created an organization known as DC-CAP, the College Access Program, to help some of the District of Columbia's public high school students achieve the kind of future that we are confident they can.

The reason I am here talking in favor of a tuition assistance program is because those of us who created this program see tuition assistance and CAP as forming three legs of a stool: Counseling, choice, and financial assistance. Choice is an essential element of that stool, and that is why we are active in trying to support the bill that you are currently considering.

There are many people we want to thank for putting us together and getting us to do what we did. I especially want to mention Donald Graham of *The Washington Post*, who could not be here this morning—he is at a board meeting—but without his push and his leadership, the private sector could not have done its piece.

What has the private sector done? We have raised about \$16 million on our way to an initial goal of \$20 million. What are we going to do with that money? We are going to try to fund three things.

First, we are going to pay for a counselor at every D.C. public high school. Why do we want to do that? Kids need to understand that college is a realistic objective for them, both in terms of financial calculations and also in terms of personal aspirations. And second, kids and parents need a lot of help navigating through a very complex system of aid, admission, and what-have-you. We are going to do that.

Third, we are going to give last-dollar financial help to kids who do get into college, up to \$2,000 a year for 5 years to a student who qualifies—again, out of the D.C. public school system.

You might ask why are we doing this. We are not doing this for altruistic reasons. We are doing this because we think it makes good business sense. We need qualified kids to come out of the D.C. public school system, period. We need employment. One hundred fifty thousand jobs go begging each week in *The Washington Post* technical job want ad section.

No. 1, corporations, believe it or not, feel that they do have an obligation to give back to the communities where we operate and where we make a living.

And No. 3, for a company like Mobil, at least, if we do not have a vibrant and successful metropolitan area close to our headquarters location, I could not attract and retain and keep the kind of talent that I want.

So we are here because we think it makes good sense.

I cannot make any comment on all the discussion that I have heard this morning about means testing, 50 States versus 2, do not hurt this school, do this, do that. I have to tell you, if my company ran that way, we would be bankrupt.

¹ The prepared statement of Mr. Noto appears in the Appendix on page 87.

This is a good idea. It needs to be pushed, and it needs to be brought to fruition soon, before the July recess. We want to get these counselors whom we are paying for into the schools for next year. We want to get financial assistance that will come out of the CAP program into the kids' hands when they graduate at the end of the semester that ends in June 2000. We need the tuition assistance program to give these kids the choice that they should legitimately have. Put them on par with most of the other communities in this country.

Now, I am preaching to the converted when I talk to you, Mr. Chairman, because I know that you were involved with two model programs in Cleveland and Columbus that, frankly, we in the private sector have looked at as examples of what we could do here, and I congratulate you for that, and I know that I do not have to sell you on that.

At the end of the day, we need your help to get this thing moving. I cannot believe that we cannot put four bright people in a room representing both sides of the argument on means testing, on 50 States versus 2 States, and on some of the other complexities which I am afraid we are manufacturing, and get the thing settled and get it settled quickly. I will tell you frankly, in my company, if they could not do that, I would fire them.

So please, I urge you, let us not get mixed up in what school is going to get what, and how we have to help UDC's budget. Those may be very legitimate issues, but that is not the purpose here. We are here to help the kids, and we need your assistance.

I thank you.

Senator VOINOVICH. If I were still Governor, we would get it done that quickly. [Laughter.]

But I am not, and I do believe that we have some good people who really care about this program, and I can assure you and everyone else here that I am going to do everything in my power to get everyone into a room and see if we cannot get this worked out ASAP and get it done, certainly, for sure, before we get out of here in August, so that it is done, because it is going to take time to put things in place and make sure all of the t's are crossed and i's dotted so that when we launch the program, we do not end up with problems. That is really important, that when we do launch it, we have anticipated as many of the problems as we can, so it does not hit some land mines somewhere along the way and become discredited, and we go back to accusations and so forth.

Mr. NOTO. Mr. Chairman, the reason I think it is very important—as I told you, we have raised about \$16 million, and we are on our way to \$20 million. We have 16 groups already involved in that effort, and you will see their names listed in my written testimony. I am very grateful to them. You will see the usual suspects. You will see those people who have done a lot for the District of Columbia over time. And we have so much new business flourishing in this area that if we can keep the momentum going on this, I think we can get a lot more money from a lot of companies who have not joined that list yet who make a very good living in this area.

So I would urge you to remember that we are bringing private money, and we can bring some incremental private money if the momentum goes right.

Senator VOINOVICH. I will help you go after them.

Mr. NOTO. Thank you.

Senator VOINOVICH. Let me say one other thing to you. I think it is important that the business community contact Senator Durbin, because he has some real questions about the budgetary viability of this proposal.

One thing that I have come to recognize in my political career is a thing called leveraging. One reason why I am interested in this program, Mr. Noto, is because of the fact that you and other people in the private sector are stepping forward. And quite frankly, I look at the Federal Government's involvement in this program as doing our part to continue to encourage you to do your part. I think that if we were not to go forward with this legislation, and we flubbed this opportunity to move forward, it would be very discouraging to you and other members of the private sector.

So I think it is very important that you get that across to Senator Durbin and others who may be having a problem with this, because where can you spend \$17 million of Federal money—and we know that as the years go on, it may be more—and at the same time generate over \$20 million in the private sector? I think that is a terrific deal; I would love to see the Federal Government involved in more programs like that.

Mr. NOTO. Hear, hear.

Senator VOINOVICH. So we are going to move on it as quickly as we can.

I want to thank all of you for being here today. We are going to launch something here that is very important not only to the District of Columbia but to this country.

Thank you.

The meeting is adjourned.

[Whereupon, at 1:03 p.m., the Subcommittee was adjourned.]

APPENDIX

PREPARED STATEMENT OF PAUL STRAUSS, U.S. SENATOR, DISTRICT OF COLUMBIA (SHADOW)

Chairman Voinovich, Senator Durbin, and Members of the Senate Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, I am Paul Strauss, the Shadow U.S. Senator elected by the voters of the District of Columbia.

For years, District residents have been denied basic rights that citizens in the rest of the Nation have enjoyed. In every State in the Nation, there is a university system supported by that State's Government. In the District of Columbia, there is not a comparable system in place. We have a State University—but no State University system. "House Resolution 974—The District of Columbia College Access Act" is a crucial step towards establishing equality for District residents by affording them a myriad of educational opportunities. A Senate bill, "Senate 856—Expanded Options in Higher Education for District of Columbia Students Act of 1999," takes steps in the same direction but with some differences. I urge the Senate to adopt the version submitted by the House.

The House and Senate versions (H.R. 974 and S. 856 respectively), focus on the same basic objectives. However, several components warrant special attention. First, the program should focus on national access, and not regional access. S. 856 limits access to public institutions in Maryland and Virginia. H.R. 974 allows access to public institutions in each of 50 States. In order to best serve the college-bound residents of the District, we must provide options beyond Maryland and Virginia. Additionally, the Senate bill limitation will likely create a strain on the Maryland and Virginia public university systems that will disadvantage residents of those States.

Second, the program should promote participation by all colleges and universities in the District. A critical factor in creating equal educational opportunities for District residents is to advocate for full participation of those institutions of higher learning within the District borders. We are fortunate to have some of the finest universities in the Nation right here in our own backyard. The residents of the District are entitled to the education available from these institutions while not being excluded solely because of financial situations.

Third, the program should be administered by the local government, and not by the Federal Government. The mayor's office should have discretion to determine the procedure and criteria used in administering all funds within this bill. The Department of Education, while perhaps capable of providing guidelines, does not have the resources necessary to distribute the funds to District residents in the most effective manner. Any formal involvement by an entity of the Federal Government would only serve to hinder the efficiency of the administration of the program. Our local government currently in place is fully equipped to administer the program to its own citizens.

Finally, the program should not require initial means testing or income caps. There is no data to predict what the response level from District residents will be to this program. It would be a grave mistake to establish an income cap as a marker of eligibility for the program. This cap could create a situation where funds are available for distribution, but where the only otherwise eligible candidates are refused funding from the program simply because of the income bracket of their family. This means testing policy will likely prove to be highly inefficient.

The Nation's Capital should be a place where all residents of the United States would be proud to call home. We should encourage residents to remain in the District, and encourage any American living outside the District to select their Capital as their home. Congress denies us Statehood, but D.C. residents need not be denied the benefits of a State educational system. Congress denies us equal representation, they should not deny us a quality education.

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REP. TOM DAVIS
CHAIRMAN, HOUSE D.C. SUBCOMMITTEE
JUNE 24, 1999
STATEMENT: H.R. 974, SENATE HEARING

Chairman Voinovich, Senator Durbin and Members of the Subcommittee, thank you for the opportunity to testify before you today.

My thanks to Chairman Voinovich for scheduling this hearing.

I'm grateful to Delegate Eleanor Holmes Norton, Ranking Member of the House District of Columbia Subcommittee, for joining me in leading a bi-partisan coalition supporting H.R. 974.

I deeply appreciate Sen. Jefford's leadership on educational issues and welcome his legislation and the opportunity it provides to work together in achieving our objectives.

And of course I very much appreciate the Administration's inclusion

of funds in the proposed Budget and its support for this concept. We've worked together with the White House to help revitalize the District of Columbia and we must continue to do so.

I also want to thank my good friend Lucio Noto, who I understand will testify later. Mr. Noto is Chairman of the Board and Chief Executive Officer of Mobil Corporation, which I am proud to have helped bring to Fairfax County when I was Chairman of the Board of Supervisors. He is a leader in the District of Columbia College Access Program, a new non-profit organization funded by Washington-area companies and foundations dedicated to encouraging and enabling public high school students to enter and graduate from college. Their effort is complementary to the goals set forth in this legislation, and represents our shared vision for the future.

As you know, H.R. 974 was marked-up by our Subcommittee, by the full House Government Reform Committee, and approved unanimously by the House.

Clearly, whatever legislation emerges must reflect fiscal constraints,

and I am indebted to this Subcommittee for working with us along those lines.

I believe very strongly that the resources our bill authorizes for educational opportunity is the best money we can spend in the Nation's Capital. Our bill seeks to take a giant step forward in our quest to enhance that educational opportunity. We will not let that dream die.

The bill you consider today, H.R. 974, the District of Columbia College Access Act, reflects the constitutional reality that Congress is the de facto state legislature for the District of Columbia. The city by its very nature lacks the capacity for a public university system of higher education as that concept is understood in the 50 states. The same choices and opportunities simply do not exist for students and parents here as exist elsewhere. This has too often led to an out-migration of population in order to take advantage of the educational opportunities all other Americans enjoy as residents of a particular state.

A strong element in all of our reform legislation since the creation of

the House District of Columbia Subcommittee has been directed at stopping the bleeding of population out of the District. This is critical for us all, as you can not have a healthy Nation's Capital without a healthy city.

So while I am flexible on proposed changes to our House-passed bill, I respectfully urge that there be no means-testing restrictions, and that the Senate retain the core principle that this be a city-run program in full cooperation with the Department of Education, subject to whatever independent monitoring is deemed necessary.

The District has lost hundreds of thousands of residents in recent decades, particularly middle-income taxpayers. A strong bi-partisan effort in Congress has sought to change that. Our efforts have included management reform and economic development, such as facilitating the MCI Center and the new Convention Center project. We have encouraged home ownership with the \$5 thousand tax credit for first time home-buyers. We have improved personal safety, water quality, and financial stability

itself. Congress can be proud of its efforts to revitalize the Nation's Capital.

Congress, in full cooperation with the city and the federal government, has in fact restructured relationships so as to have the federal government assume many of the functions normally performed by states, such as care for felony prisoners. This has put the District on a glidepath to recovery. It is now in a better position to improve delivery of municipal services.

Mayor Williams has characterized H.R. 974 as "very, very important legislation, not only in improving education but in bringing our city back."

While giving graduates more choices, subject to the caps and limits in the bill, this legislation fully respects and leaves untouched college admission policies and standards.

The bill will enable District residents who are high school graduates to attend public institutions at in-state rates. We have included Tuition Assistance Grants as another option for other colleges in D.C., Virginia, and Maryland. This is yet another incentive to encourage local population

stability through educational enhancement. This “TAG” program is highly successful in Virginia and many other states.

Higher education is the key that opens the door to the future. That door has been locked for too long for too many residents of the Nation’s Capital. This bill helps to correct that inequity.

H.R. 974 levels the playing field for District high school graduates.

I know how much this bill means to District students. I saw it in the eyes of children at Eastern High School, not far from the Capitol Building, when we announced introduction of the legislation. These students need and deserve a break.

As fighting for educational opportunity is one of the reasons I entered public life, it has been gratifying and deeply moving to see the overwhelming support this bill has received.

Thank you for working with us to make whatever changes are necessary to insure enactment of this House-passed bill.

Hearing of
Senate Committee on Governmental Affairs
Subcommittee on Oversight of Government Management, Restructuring, and the District of
Columbia

"H.R. 974--The District of Columbia College Access Act and S. 856 -- Expanded Options in
Higher Education for District of Columbia Students Act of 1999"

Statement of
Senator James M. Jeffords
June 24, 1999

Mr. Chairman and members of the subcommittee, I appreciate having the opportunity to testify today on legislation to offer postsecondary tuition assistance to residents of the District of Columbia. I am also pleased to join Congressman Davis and Delegate Norton in urging support for an initiative which will offer an enormous boost to the aspirations of DC students seeking higher education. Under their able leadership, the House of Representatives endorsed this effort without a single dissenting vote.

The legislation I have introduced and the measure approved by the House share the same goal. That goal is to provide citizens of the District with a greater range of options in pursuing postsecondary education by having the Federal government offer support that, in other areas of the country, is provided by State governments.

Throughout my career in Congress, I have made support for education one of my top priorities, and I have regarded the education of DC students as being an important part of my efforts. I am therefore delighted at the level of interest and support which the DC tuition concept has received.

Although the House and Senate bills are aimed toward the same objective, they differ in the design and administration of the program and in the scope of the benefits provided. Because most of the discussion of the differences between the two approaches has focused on the scope of the program, I would like lay out the reasoning behind the approach I took.

Briefly, my legislation has three components:

One, it picks up the difference in cost between in-state and out-of-state tuition for DC residents who attend public postsecondary institutions in Maryland and Virginia;

Two, it provides additional support to the one public postsecondary education institution in the District, the University of the District of Columbia (UDC), by authorizing funds for the strengthening activities outlined in Part B of Title III of the Higher Education Act; and

Three, it offers support to those students choosing to attend private institutions in the District and neighboring counties by providing grants of up to \$2,000 to help defray tuition costs.

I have nothing against reaching for the sky, but will say that this proposal does not cover all the ground the version approved by the House does. Basically, I felt that--in launching a brand-new program--it was best to develop a fairly simple foundation and try it out. I have also found it is far easier to expand an effort in the future than it is to roll it back.

Moreover, I believe it important to assure the program is reasonable in cost. With the tight discretionary spending caps enacted in 1997, there isn't any "free money." Spending in one area will mean fewer dollars are available in another. I therefore tried to design a program that would fall in the range of the \$17 million provided in the President's budget request for a DC tuition initiative. Based on preliminary estimates by Congressional Budget Office analysts, I believe my legislation will achieve this goal if the residency provisions are tightened to avoid providing benefits to unintended recipients.

If there is a desire to make larger amounts available in order to finance a more generous program, then I believe those funds need to come from a source other than Federal discretionary accounts. I have long favored a regional education approach in the DC metropolitan area, and have been closely involved with programs such as the Potomac Regional Education Partnership (PREP).

During the last Congress, I introduced legislation calling for the establishment of a regional education and workforce training system in the metro area. The financing mechanism was a commuter tax, and--needless to say--the idea didn't get very far.

Nevertheless, I do not think such an approach should be ruled out as a means to offer additional support for students through a DC tuition assistance program. It has the additional advantage of assuring that the funds are used to benefit the metropolitan area, rather than simply being sent to Richmond or Annapolis. A tax rate as low as one-half of one-percent would provide about \$100 million annually--an amount that would be more than adequate to extend the in-state tuition subsidies to all 50 states or to provide larger grants to students attending private institutions or to offer additional support to UDC.

Beyond the question of program costs and financing, I want also to raise the issue of administration of the program. The House-passed bill provides that the Mayor will administer the program, while my legislation gives that responsibility to the Secretary of Education.

I chose that route because the Department of Education has a great deal of experience with student financial aid and has well-established relationships with every institution of higher education in the country. The Mayor, on the other hand, would have to start from ground-zero in developing the expertise and relationships necessary to assure the smooth operation of the program. Particularly during the start-up phase of this program, I believe it is necessary to have experienced hands in charge. In putting together this program, mechanisms will have to be developed to deal with issues such as determining student eligibility, monitoring enrollment status, and tracking in- and out-of-state tuition rates. Under the House version of the bill, any of the approximately 3,000 public institutions of higher education across the United States could be involved.

There are a number of pressing education issues facing the District at this time, including the need to better manage special education programs. I do not want to be in a position of placing a new administrative responsibility on the District at this time, particularly when a viable alternative is available.

At the same time, I understand the reasoning behind housing this program in the Mayor's office. In fact, my legislation leaves this open as a possibility through provisions permitting the Secretary of Education to make arrangements for another entity to run the program. It would be possible to develop stronger language if the subcommittee is interested in seeing that the Mayor ultimately has responsibility for the program. My suggestion would be that the Secretary of Education be in charge of the program during those critical initial years where the basic operational system is designed and put into place. Then, after three or four years, the program could be transferred to the Mayor upon his request.

Finally, I want to mention two issues which people have frequently raised in discussing this legislation with me. First of all, my measure does include a means test. Although this means test--\$50,000 for single filers and \$100,000 for joint filers--is far more generous than the means tests applied to all other Federal student assistance programs, it has been criticized by those who point out that States do not means test in-state tuition. I can see the merit of that argument. At the same time, there are some real difficulties in making the Federal government completely analogous to a State. I did not believe I could totally disregard the income standards used in other federally funded student aid programs, and the means test in my measure was an effort to find a reasonable middle ground.

My confining the in-state tuition benefits to students attending public institutions in Maryland and Virginia has also been questioned by those who believe it offers an insufficient range of choices. Although I would not be opposed to expanding the area covered somewhat, I do not believe it is either justifiable or affordable to include the entire United States as being "in-state" for DC residents.

At the end of the day, the precise language of any particular provision of my bill is not the issue. What is important is that we enact legislation which offers to DC students the best deal we can afford through a program which operates effectively and efficiently.

An investment in education is one of the most important investments we as a society and we as individuals can make. There are boundless opportunities in the DC area for individuals with education and training beyond high school. DC residents should not be left behind in obtaining the capacity to take advantage of these opportunities.

I hope that the subcommittee will find aspects of my proposal useful in this regard, and I look forward to continuing to work with members of the subcommittee and others in reaching this goal.



ANTHONY A. WILLIAMS
MAYOR

H.R. 974-The District of Columbia College Access Act

Testimony of Mayor Anthony A. Williams

**Subcommittee on the District of Columbia
Committee on Governmental Affairs
United States Senate**

June 24, 1999

Chairman Voinovich, Senator Durbin, and Members of the Committee, thank you for the opportunity to address the Subcommittee on this important matter. I congratulate your foresight and appreciate your support on this piece of legislation as it stands to benefit the District and its thousands of students for years to come.

Students in the District are at a tremendous disadvantage when it comes to access to higher education. While students in other states have a variety of options, choices for District students beyond the University of the District of Columbia are limited by financial means. The College Access Act will help ease this discrepancy and put the District's students, and their parents, on equal footing with residents of the fifty states.

A Nation-Wide Program

Ideally students from the District of Columbia would pay the in-state cost of any state-funded college or university in the United States. Given the special status of the District of Columbia, as the seat of democracy, it would be not only fitting, but proper, for our students to enter any state system. Any questions of merit would be addressed through the admissions process. This would serve as a nice counterbalance since under this bill, students from the District would not be given in-state status in the admissions process, and are thus placed in a more competitive admissions category. For example the University of Virginia accepted 47 percent of in-state applicants and only 22 percent of out of state applicants for this years in-coming freshman class. As the goal of the College Access Act is to offer District students the same options in higher education anywhere else in the U.S., this discrepancy in admission policy needs to be handicapped by offering

financial aid to any state funded college or university to which the student gains admission. However, I certainly understand cost constraints, and would add that if the cost of a nation-wide program is prohibitive then it is much more preferable to have the program limited geographically and not financially.

No Means Test

One provision of the proposed bill that is of utmost importance is the absence of a financial means test. Every state college and university system in the United States has an in-state rate as well as a rate for those attending from out of state. For the sake of consistency, and for the intent of the bill, the same should be true for District students. To further illustrate my point, Bill Gates, whose wealth was pegged at \$90 billion earlier this week, still can pay at the in-state rate if his children decide to attend the University of Washington or Washington State University.

Financial Impact

The importance of the College Access Act to the continued financial revival of the District cannot be overstated. In recent years the District has lost tens of thousands of residents to surrounding suburbs in Virginia and Maryland. With the rise in cost of higher education, the District of Columbia stands to lose more and more families who relocate to Virginia and Maryland to take advantage of their state subsidized system.

Today in the District of Columbia, only one in three high school freshman goes on to attend a post-secondary institution. This figure is far too low, and the new D.C. College Access Program, initiated by concerned corporations in and around Washington, has started to work on making higher education more feasible by offering up to \$2,000 dollars in financial aid to qualified District students. Similar efforts in Cleveland have seen 93 percent of involved students continue on to college or vocational school. The D.C. College Access Program is not sufficient in that it does not have the means for providing for all District students in need of financial support. The District of Columbia College Access Act can make higher education feasible for all those in need by cutting university cost by 50 percent or more.

The affect of this legislation is not limited to the current generation of families residing in and around the District. With a larger percentage of students enrolling in university the District then has the promise of a large, talented, and educated work force in its future. This work force, combined with the rise in occupancy rates in downtown D.C. office space, makes for a financially secure future in the District.

Private Universities and UDC

This bill also recognizes the unique needs of our only public University--UDC. Even as we strive to expand opportunities for District residents, we must take care to ensure that UDC remains viable as a four year, historically black, land-grant institution that offers a first class education. By rightfully recognizing the University as a Historically Black

institution, this legislation will create a new source of revenue and stability for the University that will help it prosper in the next century.

In the same spirit of providing more academic options to District residents, I support, the component of the bill that allows for private institutions to be included in this program. It is my understanding that there is precedent for this inclusion. Virginia has a private institution tuition assistance program and I believe other states do as well. However, one concern I have is that this bill should serve to augment the financial plight of the student and not the institution. I would be disappointed if this bill allowed the private universities, who currently do quite a bit for District students, to substitute public monies for the money the currently spend. I encourage the inclusion of private schools as long as it increases the opportunities for District residents.

Oversight and Accountability with the Office of the Mayor

I believe the Office of the Mayor must have oversight of, and ultimately be accountable for, this program. The actual administration of this program should be a collaborative effort that includes the Office of the Mayor, a non-profit established around this program and the U.S. Department of Education whose experience, expertise, and resources would be enormously helpful. In fact, members of my staff have already met with Deputy Assistant Secretary Maureen McLaughlin to discuss the department's experience in administering scholarship programs. We appreciate all that the Department has done for us and look forward to working together to ensure the success of the College Access Program. Let me cite a couple of reasons why oversight of the program should be vested with the city.

- Other states administer state scholarship and grant programs for residents and so it should be with the District of Columbia. It is important for residents to be able to hold their elected leaders responsible.
- Second, placing the program under my direction will enable me the flexibility to modify the program, within limits prescribed in the law, based on new developments and the changing needs of residents.
- Third, the D.C. Government has experience and capability in administering similar programs. For example, the Mayor's Office worked with the presidents of local colleges and universities to establish the State Post Secondary Review Entity. Although Congress terminated the program, the D.C. Government developed the capability to implement a complex program and was commended for doing an excellent job. Also, the D.C. government processes approximately 2,000 applications annually for the State Student Incentive Grant Program, jointly funded by D.C. taxpayers and the federal government. This Program will enhance our ability to attract new residents to the District of Columbia. It will be a feature of the total package of incentives and opportunities and will enhance the economic development and fiscal capability of the City.

A Victory for the District

This legislation is a win for students, for residents, and for families. It will open the floodgates of educational opportunities to thousands of our students, while preserving and strengthening our public University for the next century. It will extend a ladder of hope and social progress to middle and low-income students who want to reach for a better life through education. In short, the bill is responsible, necessary, and long overdue. I urge the Committee and the Congress to pass this legislation without delay. Our students deserve nothing less.

Statement of Maureen A. McLaughlin
Deputy Assistant Secretary for Policy, Planning and Innovation

Mr. Chairman and Members of the Committee,

I am pleased to have the opportunity to appear before you today to share the Administration's views on H.R. 974, the "District of Columbia Access Act," and S. 856, the "Expanded Options in Higher Education for District of Columbia Students Act of 1999." The Administration strongly supports providing to all District of Columbia residents access to a broad array of choices in postsecondary education similar to those available to residents of the 50 States. This would enable all District residents to attend affordable colleges and universities with a range of missions and strengths, and to tailor their educational experiences to meet their individual goals and needs. Currently, the residents of all 50 States can choose among multiple public colleges and universities, while residents of the District of Columbia do not have this opportunity.

To address this problem, the Administration included \$17 million in its Fiscal Year 2000 budget to improve college access for District of Columbia residents. Since that time, we have worked hard to ensure that this idea becomes a reality. We are very pleased that bills have been introduced in both the Senate and the House of Representatives that would implement this proposal. We thank this Committee for its efforts on behalf of the residents of the District of Columbia, and wish to recognize the efforts of Senator Jeffords, Congressman Davis, Delegate Norton, and Mayor Williams. We appreciate the bi-partisan support that has surrounded this legislation from the start, and thank you for the opportunity to work with you on the structure of the program.

The Administration is particularly pleased with three aspects of the bills before Congress. First, each bill addresses a critical shortage of public postsecondary education options in the District of Columbia by allowing residents to attend out-of-state public institutions at in-state tuition rates. This cornerstone provision would enable District of Columbia residents to enjoy the same diversity of affordable public postsecondary education that has been available to residents of all 50 States for many years. This provision would expand opportunities for many young people who wish to continue their educations beyond high school in order to compete in the global economy. It would also make it more attractive for families to live in the District of Columbia, thus fostering a stronger sense of community in the Nation's capital and supporting the efforts of Mayor Williams, Delegate Norton and others to rejuvenate the city.

Second, the Administration is pleased that both bills would provide grants to District of Columbia residents who choose to attend private colleges in or around the city. Many strong colleges and universities are located right here in the District of Columbia and surrounding areas. Yet, in many cases, District residents have not been able to attend these institutions because of limited resources. Forty-eight of the 50 States recognize the importance of providing opportunities for their students to attend private colleges in their States and provide subsidies for this purpose.

Third, the Administration continues its strong support for the University of the District of Columbia, and is pleased that Congress has appropriated Federal financial support for the university. We recently worked with Congress to ensure that funds would be available to

the University of the District of Columbia from the Fiscal Year 1999 Emergency Supplemental Appropriations Act without reducing the funding for other Historically Black Colleges and Universities. We are now working with the University to enable it to receive these funds in the near future.

Our goal is to provide greater access to a broad array of institutions of higher education to District of Columbia residents and to ensure that the program is designed in a manner to ensure Congressional support over the years to come. To do this, we need to ensure that the tuition benefits provided are consistent, reliable, and predictable. Residents of the District of Columbia deserve not only to receive these tuition benefits, but to feel certain that these benefits will be available to them in the future, when their younger children are ready for college. Accordingly, the program must be designed in a way that will generate support for sufficient funding each year.

In that vein, the Administration has some concerns about the high cost of the House-passed bill, and offers the following suggestions for developing a program that meets the needs of District residents, while ensuring its sustainability over time. The Department of Education estimates that H.R. 974 would cost \$37 million in Fiscal Year 2000, and would cost \$211 million over five years. The Congressional Budget Office estimates even higher costs. Both estimates are significantly more than the \$17 million that was designated for this purpose in the President's Fiscal Year 2000 budget, and we are concerned that the costs would jeopardize the long-term future of the program. In contrast, S. 856 would, by Department of Education estimates, cost less than \$17 million

in Fiscal Year 2000, and would cost \$98 million over five years. We believe the cost of the program structured in S. 856 is more sustainable over time.

A significant portion of the cost of the House-passed bill relates to the provision that would allow students to pay in-state tuition amounts at any public institution across the country, rather than limiting the scope to public institutions in Maryland and Virginia as supported by the Administration and included in S. 856. This aspect of H.R. 974 would provide a wider range of choices to District residents than are available to residents of any of the 50 States, and could inadvertently encourage more students to leave the District of Columbia metropolitan area permanently than would otherwise do so. Limiting tuition subsidies to qualified District of Columbia residents attending public institutions in Maryland and Virginia would be more consistent with the options available to residents of any State. Further, the administration of the program would be far more complex if the administering entity must work with institutions of higher education in all 50 States rather than institutions in just two States.

The Department of Education estimates that the Fiscal Year 2000 cost associated with providing tuition benefits to students attending institutions throughout the country is nearly \$11 million more per year than it would be to provide similar benefits to students attending public institutions in Maryland and Virginia. This cost has two components: (1) the inclusion of additional students who attend public institutions outside the District of Columbia, Maryland, and Virginia, and (2) somewhat larger average tuition subsidies

due to larger differences between in-state and out-of-state tuition amounts in the States outside Maryland and Virginia.

The National Center for Education Statistics counted 319 District of Columbia residents enrolled as freshmen at public institutions in Maryland and Virginia during the 1996-97 academic year (the latest year for which data are available) and an additional 344 District of Columbia residents who were freshmen attending public institutions outside the District of Columbia, Maryland, and Virginia during that year. Accordingly, even without taking into account behavioral changes that may occur as a result of this legislation, more than twice as many students would be eligible for tuition subsidies if these benefits are provided at institutions throughout the country than if they are limited to institutions in Maryland and Virginia.

Additionally, the average amount of tuition subsidies would be somewhat larger if the bill is extended to all public institutions throughout the country. The average difference between in-state and out-of-state tuition at four-year public institutions in Maryland and Virginia (weighted by enrollment of District of Columbia residents) is \$4,635 compared to \$4,977 at public institutions outside the District of Columbia, Maryland and Virginia. Likewise, the average tuition differential at 2-year institutions in Maryland and Virginia (weighted by enrollment of District of Columbia residents) is \$2,092 compared to \$2,333 at two-year public institutions outside District of Columbia, Maryland, and Virginia. These numbers indicate that the average tuition subsidies would increase somewhat if

benefits are provided throughout the country rather than limiting the scope to Maryland and Virginia.

The Administration also feels strongly that limited Federal resources must be targeted first to those students with greater need for assistance. Under H.R. 974, if funding is insufficient to cover the demand for tuition assistance, award amounts would be decreased for all eligible students. The Mayor would have no opportunity to utilize any other mechanism for targeting funds. It is critical to the future of this program that the wealthiest District of Columbia residents do not obtain tuition assistance from a limited amount of funds at the expense of lower- and middle-income District of Columbia residents. Accordingly, we believe that some kind of priority funding mechanism, such as the means test contained in S. 856, must be included in the legislation ultimately enacted by Congress.

As I mentioned previously, we are very supportive of providing grants to students who choose to attend private colleges and universities. We believe, however, that H.R. 974 structures these grants in a way that is more generous than similar grants provided to residents of States. In most States, these grants are not available to students attending private institutions outside the State, the grants are not as large as \$3,000 per year, and they are typically provided on the basis of need or merit. S. 856 provides grants that are more similar to other States. We would like to work with Congress to ensure that the grants to students attending private institutions are comparable to corresponding benefits offered by States.

We also believe, as do many others, that the residency requirements for students receiving benefits under either bill should be tightened to ensure that these benefits go to people with long-term commitments to the District of Columbia and not to students who come to the District of Columbia merely for the purpose of attending college.

Finally, we would like to see H.R. 974 modified to provide increased flexibility in administering the program. Administering this program will be a complicated task. The administering entity must enter into agreements with eligible institutions and make a variety of eligibility determinations for each participating student, including determining whether the student is a citizen or permanent resident of the United States, whether the student is in default on a Federal student loan, whether the student is incarcerated, whether the student has completed a baccalaureate course of study, and whether the student is making satisfactory academic progress. The administrator of this program also must perform additional tasks such as determining the appropriate size of individual grants based on the tuition differentials at each individual college or university and calculating refund amounts for students who withdraw. We hope that the final legislation will provide maximum flexibility for the Mayor and the Secretary of Education to determine how to best administer this program. Furthermore, we believe that there must be adequate Federal authority added to the House bill to monitor the program to ensure accountability of Federal funds. This is especially true because the program is likely to be supported exclusively by Federal funds.

In closing, let me again express how very pleased we are about the level of support and commitment that has been generated by H.R. 974 and S. 856. These bills complement the efforts of the private sector, including the D.C. College Access Program, which is bringing the business community together to support District of Columbia students in many new ways. Working together in this area, the Federal and local governments, local businesses, and District of Columbia residents can strengthen the Nation's capital by realizing the potential of all District of Columbia high school students and making the District of Columbia an exceedingly desirable place for families to raise their children. This legislation is a true example of what can be accomplished through a partnership between Federal and local government and the private sector.

Thank you for the opportunity to testify before you today. The Administration looks forward to continuing to work with Congress to develop a sound, sustainable program that will make a real difference in the District of Columbia. I would be happy to answer any questions that you may have.

**Testimony of Patricia A. McGuire
President of Trinity College in Washington
On Behalf of the Consortium of Universities of the Metropolitan Washington Area**

**Before the United States Senate
Committee on Governmental Affairs
Subcommittee on Oversight of Government Management,
Restructuring and the District of Columbia**

June 24, 1999

Mr. Chairman and distinguished members of the Committee, I offer this testimony in my capacity as president of Trinity College in Washington, and on behalf of the Consortium of Universities of the Metropolitan Washington Area. I am pleased to participate in this hearing along with the other distinguished witnesses, and especially my colleague Dr. Julius Nimmons, president of the University of the District of Columbia. I will comment on the proposed legislation in general, and with specific attention to the provisions affecting D.C. residents who wish to attend the private colleges and universities in the District of Columbia. My colleague Dr. Nimmons will offer additional comments on the provisions related to the University of the District of Columbia.

The Consortium is an association of twelve colleges and universities that reflect the strength and diversity of higher education in our Washington region. Our members include such distinctive national and international universities as Georgetown University, George Washington University, American University and Howard University, the nation's leading historically black university; major private institutions with distinctive missions including the Catholic University of America, Marymount University in Virginia, Southeastern University and Trinity College; Gallaudet University, the world's only university for deaf and hard of hearing undergraduate students; and three major public universities including George Mason University, the University of the District of Columbia, and the University of Maryland, College Park.

The members of the Consortium enroll more than 7,000 D.C. residents as full-time undergraduate students in all of our institutions, including 4,306 D.C. students attending the three public universities full-time, and 2,738 D.C. undergraduates attending the private institutions full-time. 39% of the D.C. residents who are enrolled as full-time undergraduates in the Consortium institutions attend the private colleges and universities in our membership, a figure that is twice the national average of 17% private college attendance. **CHART A** shows the full-time enrollments and institutional financial aid commitments to these students; please note that we have limited our analysis to full-time undergraduate students only; our institutions also educate thousands of D.C. residents who attend on a part-time basis as well as in graduate programs. At all of the private institutions, the majority of D.C. residents receive institutional financial assistance.

As this roll call of the Consortium's member institution reveals, residents of the District of Columbia have a broad range of higher education options already available to them within the Washington region, and substantial numbers of D.C. residents take advantage of these options. For this reason,

Consortium Testimony/Page 2

we support both the private and the public provisions of these bills, because we hope that this legislation will encourage District residents, who have not previously considered a higher education for financial reasons, to see new options for pursuing college degrees.

While the Consortium supports the Congressional initiative to expand higher education options for D.C. residents, we also want to be sure that this initiative encourages students who choose to attend college close to home, and thus augments, rather than erodes, the District's talent pool and future workforce, which is a major objective of higher education support programs in Maryland, Virginia and other states. For these reasons, we have welcomed, in particular, those parts of this legislation that strengthen the University of the District of Columbia, and that also support D.C. students who choose to attend private colleges in the Washington region. Keeping the playing field level for all of the choices D.C. students might make under this legislation is an important part of ensuring both equality of educational opportunity for our students, as well as parity with higher education programs in the 50 states.

We also note that the current environment for college admissions around the nation is fiercely competitive, "the stiffest competition ever" according to a *New York Times* front page story on June 12, 1999 (**Exhibit 2**); this condition that is likely to increase through the next ten years. In this increasingly competitive environment, this legislation should reinforce and encourage the commitment of those regional colleges and universities who have already demonstrated a clear commitment to make educational opportunities available for D.C. residents.

Given the Consortium's first-hand experience with the educational needs and aspirations of D.C. residents, we support the initiative of Congressman Thomas A. Davis III, D.C. Delegate Eleanor Holmes Norton, and all of the co-sponsors of the D.C. College Access Act H.R. 974. By opening more educational options for D.C. students, this legislation will promote higher rates of college participation and persistence, and greater long-term economic benefits both for the students who participate in the program, as well as for our city and region. We urge this Committee and the Senate to move ahead with final approval and enactment of the Davis bill, with certain amendments addressed below.

1. The Need-Based Grant Issue

One of the major differences between the Davis bill and the Jeffords bill is the question of needs-based treatment of eligible students: Jeffords requires a needs test, Davis does not.

The Consortium favors the Davis position. One of the clearly intended purposes of this legislation is to provide parity for D.C. residents with state programs of public higher education. No state has a needs-test to determine whether a student may attend a public college or university at the in-state rate. The only test is residence. Similarly, many states also provide grants without needs testing to state residents who attend private colleges in their states. To impose a needs-test on this legislation would defeat the primary purpose of the initiative, which is to level the playing field between D.C. and the states in terms of higher education opportunities for residents of the jurisdiction.

In addition, an intended effect of the legislation is the retention of higher-income residents in D.C. in order to improve the tax base. A needs test would also defeat this objective.

2. Geographic Restrictions

The Davis bill provides support for D.C. residents who attend public colleges and universities in any one of the 50 states, or who attend private institutions in D.C., Maryland or Virginia. The Jeffords bill limits the eligible public institutions to those in the three jurisdictions, and eligible private institutions to D.C. and adjacent counties.

Because of the excellent educational opportunities that already exist in D.C. and the surrounding region, the Consortium recognizes that the intent of the legislation could be well met by the Jeffords geographic limitations. However, we also believe that the national scope of the public provisions of the Davis bill will offset the likely effect of state limitations on numbers of out-of-state students in public colleges, especially in the currently highly competitive admissions environment referenced earlier, which could restrict the opportunities available to D.C. residents in Maryland and Virginia.

We are also concerned about the “adjacent counties” language of the Jeffords bill as it applies to private institutions. This language could be nettlesome, confusing for students and parents and administratively cumbersome for the administration of the program. We urge that the final legislation keep the Davis bill’s scope for eligible private institutions, i.e., those whose main campuses are in the District of Columbia, Maryland or Virginia.

3. The Tuition Assistance Grant Program for Students Attending Private Institutions

For this portion of our testimony, we call your attention to the following charts accompanying this testimony:

- ▶ **CHART A** presents the Consortium’s statistics on enrollment and financial aid for D.C. residents at our member institutions
- ▶ **CHART B** presents graduation data from D.C. Public Schools and D.C. and regional private secondary schools
- ▶ **CHART C** presents our calculations for the projected annual costs for the Tuition Assistance Grant (TAG) portion of the program through Fiscal 2004
- ▶ **CHART D** presents a state-by-state summary of aid to students attending private colleges in the states as well as institutional support

The Davis bill provides a \$3,000 Tuition Assistance Grant (TAG) to D.C. residents who attend private colleges or universities in D.C., Maryland or Virginia. The Jeffords bill provides \$2,000 TAG grants, based on need, to D.C. students attending private institutions in D.C. and contiguous

counties. We have already addressed the geographic and needs-based issues, and will not repeat those positions here.

The Consortium urges the Senate to adopt the \$3,000 TAG provision of the Davis legislation. A smaller TAG would so greatly favor out-of-state public institutions that it would unfairly discriminate against D.C. students who choose to stay at home to attend private institutions. While the Consortium does not support a needs test in this legislation, the simple fact exists that with one of the highest poverty rates in the nation, the District of Columbia already has a surfeit of students with great economic need. Many of D.C.'s neediest college students cannot afford the luxury of travel to out-of-state institutions. Contrary to popular myths and outmoded stereotypes, many D.C. students who choose private colleges in D.C. are not wealthy elites. The profile of D.C. students in D.C. private colleges bears out the reality that many low income students attend private institutions locally. Private colleges and universities in D.C. already provide millions of dollars in student financial assistance to D.C. residents. Included with this testimony are statements from individual institutions describing our commitment to D.C. students in detail. **(Exhibit I)**

Even with generous scholarship and aid packages, many D.C. residents in our private institutions find it difficult to "close the gap" between all aid and their total tuition, room and board, books and expenses. Financial stress causes these students to work more hours outside of school, which has a negative impact on their academic performance. Eventually, some of these students have to drop out of school for financial reasons. The \$3,000 TAG provision can make a significant difference in the ability of D.C. residents to stay in school and to achieve at higher academic levels in the local college or university of their choice. This grant will supplement, not supplant, the institutional aid that already runs to the millions of dollars from private college and university resources.

The \$3,000 TAG provision is completely in line with in-state scholarship programs for students attending private colleges already offered by many states, including Maryland and Virginia. Those states also provide significant assistance to their private colleges and universities beyond the TAG and other grant programs available to students in private colleges in those states. **(CHART D)**

We disagree with the report of the Congressional Budget Office that grossly inflated the likely cost of the TAG program through projecting wildly improbable participant numbers because of imprecise drafting of the residency provisions. We propose redrafting the residency requirement (See Section 4, below) to close the residency loophole.

The Consortium's projections indicate an outer maximum of 3,000 participants in the TAG program, although the actual number will probably be fewer participants. We derive the 3,000 number as follows: 2,500 D.C. residents are currently enrolled in the private colleges and universities of the District of Columbia (from **CHART A**), and data provided by the National Association of Independent Colleges and Universities indicates that approximately 500 additional D.C. residents are currently enrolled in Maryland and Virginia private colleges. Hence, based on current enrollments, we can project 3,000 possible participants if the TAG program were available today to all D.C. residents enrolled as full-time undergraduates in private colleges in D.C., Maryland and Virginia. However, based on projected graduation rates and taking into account the effect of the availability of the out-of-state public tuition support, the number of participants in the TAG program is likely to be fewer than 3,000.

CHART C presents the bottom line for this discussion: based on the regional high school graduation statistics presented in **CHART B**, **CHART C** indicates the likely number of participants and costs for the TAG provision for the next five years. **CHART C** assumes that the participating students will be new freshmen in the class entering in the Fall of 1999. **CHART C** does *not* anticipate retroactive applications for current upperclass D.C. resident students. Hence, according to **CHART C**, the following are the participant numbers and costs for the TAG provisions through Fiscal 2004:

Projected Costs for Tuition Assistance Grant Program in D.C. College Access Act

Fiscal Year	Number of Student Participants <i>TAG Program</i>	Projected Cost <i>TAG Program</i> <i>@ \$3,000 per head</i>
2000	865	\$2,595,000
2001	1,485	\$4,455,000
2002	2,013	\$6,039,000
2003	2,435	\$7,305,000
2004	2,286	\$6,858,000

The enrollment numbers in **CHART C** are based on data provided by the D.C. Public Schools, the Association of Independent Schools of Greater Washington, the National Association of Independent Colleges and Universities, the Department of Education, and the Consortium of Universities.

One final word about state funding for private colleges and universities: while almost all states provide need-based grants, many of the in-state grant programs, including Maryland and Virginia, also provide grants that do not require a needs test because the states recognize the fact that the availability of private higher education helps to defray some of the states' public higher education costs, while also making more options available to students. D.C. has never had such a program.

Many states also have significant additional programs of capital grants to renovate aging facilities and technological grants to improve the infrastructure for private colleges and universities; but the District of Columbia offers no comparable support, thus forcing the D.C.-based private colleges to absorb millions of dollars in costs that are borne by state funding elsewhere. This adds to the burden on tuition dollars and constraints on funds available for institutionally-funded financial aid for D.C. private colleges and universities.

Private colleges and universities in the District of Columbia already bear a disproportionately larger share of the cost for the education of D.C. residents than private institutions among the states bear for the citizens of their states. In urging the Senate to adopt the TAG provision of the Davis bill, the Consortium also wishes to stress the importance of investment in students and institutions that remain in-state as part of the drive to improve the economic condition of the nation's capital.

4. Defining D.C. Residency

A study released by the Congressional Budget Office after the House approved H.R. 974 indicated that the vagueness of the residency provision in H.R. 974 could have the unintended consequence of permitting many thousands of already-enrolled out-of-state university students to declare residency here in order to gain the benefits available under the bill. While we doubt that this phenomenon would occur, even if the bill were to remain in its current form, we suggest the following solutions to close this loophole in the residency provision:

- (A) Require a longer period of residency than the current one-year provision of the Davis and Jeffords bills; or
- (B) Require the eligible student to be a D.C. resident at the time of enrollment in the eligible institution in order to qualify; or
- (C) Require the student to show proof of parental residence for at least one year in D.C.

CONCLUSION

I am grateful to Senator Voinovich and the Committee for the opportunity to present this testimony concerning the D.C. College Access Act. The Consortium of Universities is eager to work with Mayor Williams, Superintendent Ackerman, the Secretary of Education and the private and public partners who are quickly creating a new environment for educational achievement and success for D.C. students and residents. We welcome the opportunities provided through this legislation.

We urge the Committee to make those amendments to H.R. 974 that would clarify and strengthen the legislation without unduly limiting the opportunities it provides to D.C. residents. We also urge you to study the attached data so that the full story of higher education in the District of Columbia can be a backdrop for your deliberations. That story reveals a broad and deep reservoir of educational opportunity for D.C. residents right at home, in institutions that are respected throughout the nation and around the world for the quality of their educational outcomes and the durability of the achievements of their graduates. While we welcome any effort that enlarges educational opportunities for the citizens of our city, we also urge you to enact this bill with a full understanding of the opportunities that exist right here in the nation's capital, which has been and continues to be one of the best "college towns" anywhere in the world.

Thank you.

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CHART A

CHART A Survey of Certain Higher Education Patterns in the Greater Washington Region: Academic Year 98/99							
Institution	All Students		Freshmen Only			Tuition	Room & Board
	Total Full-Time D.C. Students	Total Full-Time D.C. Students on Aid	Total Full-Time D.C. Freshmen	Total Full-Time D.C. Freshmen	Total Full-Time D.C. Freshmen on Aid		
American University	202	Not Available	1,280	30	Not Available	\$19,178	\$7,652
Catholic University	90	72	597	8	7	\$17,326	\$8,100
Gallaudet University	56	42	331*	3	3	\$6,424	\$7,963
George Washington University	438	323	1,773	67	49	\$21,590	\$8,140
Georgetown University	63	33	1,460	12	7	\$22,248	\$8,758
Howard University	1,078	666	1,325	96	75	\$8,750	\$4,304
Marymount University	192	127	265	14	11	\$13,300	\$5,980
Southeastern University	388	245	264	172	103	\$6,660	Not Applicable
Trinity College	183	173	117	48	46	\$13,529	\$6,310
University of the District of Columbia	4,174	1,878	2,311**	1,772**	908**	\$2,310 (res) \$5,390 (non-res)	Not Applicable***
University of Maryland College Park	132	94	4,105	15	14	\$4,699 (res) \$11,221 (non-res.)	\$5,848

* Includes transfers, later categorized as upper classmen

** Includes first-time enrolled freshmen and continuing freshmen

*** UDC has no on-campus student housing. A small number of students are provided with an off-campus housing allowance.

CHART B							
Potential Candidates for College Access Program Participation: 1998-2005							
	1999	2000 ¹	2001	2002	2003	2004	2005
D.C. Public School Students							
Graduates	2,572 ²	2,637 ³	2,551	2,575	2,515	2,538	2,428
Percentage Likely to Attend College Immediately	56% ⁴	57% ⁵	58%	59%	60%	61%	62%
Number Likely to Attend College Immediately	1,440	1,503	1,480	1,519	1,509	1,548	1,705
D.C. Private School Students							
Graduates	844 ⁶	854	796	782	744	719	675
Percentage Likely to Attend College Immediately	97% ⁷	97%	97%	97%	97%	97%	97%
Number Likely to Attend College Immediately	819	828	772	759	722	692	656
TOTAL Number of D.C. Students Eligible to Participate in College Access Program	2,259	2,431	2,252	2,278	2,231	2,245	2,361

¹ Source: All numbers' figures beyond 1998-99 are projections prepared by the Western Interstate Commission for Higher Education and the College Board from a document entitled, "Knocking at the College Door: Projections of High School Graduates by State and Race/Ethnicity 1996-2012," February, 1999.

² Source: Actual numbers of 12th graders as reported by DCPS; Document entitled, "SY 1998-99 Official Membership; October 8, 1998. For purposes of this analysis, a 100% graduation rate is assumed.

³ The jump between the actual reported numbers for 1999 and the projected numbers for 2000 does not reflect an actual surge in D.C. enrollment, but, rather, a statistical adjustment from actual to projected.

⁴ Source: NCES: Condition of Education, 1998; Table 7-1 (The percentage is based on African American college-bound rates; 90% of the District's public school population is African American).

⁵ Since 1990, the rate at which African American students have immediately transitioned into college has varied significantly. On average, it has increased by 1 percentage point per year. The percentages on this chart are adjusted accordingly.

⁶ Source: "Knocking at the College Door," Western Interstate Commission for Higher Education and the College Board, February, 1999

⁷ Reflects actual immediate college-bound rates by D.C. students enrolled in private schools in FY98-99 as reported by the Association of Independent Schools of Greater Washington.

CHART B

CHART C Projected Costs of Tuition Assistance Grants in D.C. College Access Program						
	FY2000	FY2001	FY2002	FY2003	FY2004	
Estimated New Awards: D.C. Institutions ¹	415	400	400	400	400	
Estimated New Awards: MD/VA ²	450	425	425	425	425	
TOTAL NEW AWARDS	865	825	825	825	825	
TOTAL PARTICIPANTS IN PRIOR YEAR	n/a	865	1,425	2,013	2,435	
Retention Rate From Prior Year ³	n/a	.85	.80	.80	.60 ⁴	
TOTAL RENEWAL AWARDS	n/a	660	1,188	1,610	1,461	
TOTAL NEW AND RENEWAL AWARDS	865	1,485	2,013	2,435	2,286	
Grant Amount	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	
TOTAL ESTIMATED ANNUAL COST FOR THE TAG PROGRAM	\$2,595,000	\$4,455,000	\$6,039,000	\$7,305,000	\$6,858,000	

¹ The projection assumes that D.C. private institutions will experience a small drop in D.C. enrollment after the first year when the effect of the out-of-state public subsidy takes hold; also, DCPS enrollments continue to fall. Enrollment projections for the following four years remain static, reflecting the generally static nature of D.C. enrollments generally.

² The enrollment projections for MD/VA private institution participation also decline slightly, taking into account the effect of declining DCPS enrollment and the likely erosion of private college students in favor of attendance at out-of-state public institutions.

³ Retention rates vary widely among institutions, but these rates reflect a generally middle-of-the-road assumption about likely retention for the participant group. The retention rate from fourth and fifth year drops because of the effect of graduation, which moves an entire cohort out of the participant group, replaced by the new students counted on a difference line.

CHART C

CHART D

CHART D: STATE SUPPORT FOR IN-STATE PRIVATE HIGHER EDUCATION
Source: MAUO Fall 99 Report on State Assistance Programs; MASSHE March 1999-2000 Annual Survey Report; Data Extrapolated by Trinity College (DC) March 1999

STATE (Percent Rank Private) 1998 Pop Rank	NEED-BASED GRANTS TO IN-STATE PRIVATE COLLEGE STUDENTS			Non-Need Grants to Private College Students	TOTAL AID TO PRIVATE UNIVERSITIES (all support grants as well as student aid)			STATE Rank According to Total Aid to Private College Students	NEED-BASED GRANTS TO IN-STATE PRIVATE COLLEGE STUDENTS			Non-Need Grants to Private College Students	TOTAL STATE AID TO PRIVATE UNIVERSITIES
	# AWARDS	TOTAL \$	AVG. GRANT/ MAX. GRANT						# AWARDS	TOTAL \$	AVG. GRANT/ MAX. GRANT		
AL (26)/22	497	\$268,136	\$5392,500	\$5,700,000	\$5,837,298			MO (22)/16	8,376	\$11,248,394	\$1,343		\$11,248,394
AK (49)/48	1	\$2,133	\$2,133		\$2,133			MT (48)/44	14	\$9,435	\$673		\$9,435
AZ (40)/23	537	\$305,369	\$568		\$305,369			NE (33)/37	2,142	\$1,729,000	\$550		\$1,729,000
AR (31)/33	1,926	1,736,495	\$901	\$1,113,489	\$3,020,852			NV/NY (50)	0	0	0		-
CA (51)	19,264	\$89,922,240	\$4,668,940		120,182,396			NH (43)/42	374	\$114,000	\$304		\$114,000
CO (29)/25	3,189	\$3,575,323	\$1,121		\$1,575,323			NI (6)/9	10,320	\$46,201,069	\$4,485,630	\$20,245,000	\$76,749,321
CT (18)/28		\$15,614,439	\$3,208,777		\$15,614,439			NM (39)/36	233	\$352,078	\$1,511		\$352,078
DE (41)/46	170	\$235,043	\$1,338		\$235,043			NY (17)/3	107,448	\$74,565,198	\$2,555,390		\$74,565,198
DC (42)/50	170	\$141,026	\$829	NONE				NC (9)/11	9,830	\$13,826,160	\$1,604,7624	\$33,574,968	\$56,386,329
FL (24)/6	9,075	\$8,340,000	\$919		\$8,340,000			ND (38)/47	668	\$438,262	\$656		\$438,262
GA (37)/10	741	\$508,860	\$686,500		\$508,860			OH (7)/7	18,721	\$31,949,000	\$1,688,4256	\$39,998,864	\$65,830,877
HI (44)/40	188	\$11,377	\$592		\$11,377			OK (35)/27	1,366	\$1,276,142	\$9141,000		\$1,276,142
ID (45)/41	69	\$37,339	\$541		\$37,339			OR (28)/29	3,100	\$3,860,241	12481,3275		\$3,860,241
IL (3)/6	39,596	\$25,707,599	\$3,175,4320		172,219,100			PA (2)/5	62,868	119,868,445	\$1,900,2700		205,196,060
IN (14)/14	1,333	\$34,477,000	\$1042		\$34,477,000			RI (36)/43	2,121	\$1,269,130	\$598		\$1,269,130
IO (13)/70	14,685	\$38,628,477	\$2,630		\$38,628,477			SC (16)/26	9,340	\$21,540,215	\$2,306,6314		\$21,540,215
KS (25)/32	3,888	\$7,836,000	\$2,015		\$7,836,000			TN (23)/17	5,904	\$9,437,970	\$1,598,3234		\$9,437,970
KY (20)/24	10,694	\$12,055,000	\$1,127,2100	NONE	\$12,410,047			TX (4)/2	21,551	\$38,055,541	\$1,765,2834		123,252,393
LA (31)/21	253	\$195,231	\$771	\$1,686,964	\$1,766,914			UT (46)/34	49	\$35,000	\$714		\$35,000
ME (34)/39	1,869	\$1,592,733	\$852		\$1,592,733			VA (15)/12	1,437	\$1,192,360	\$830	\$260 PER STU	\$27,805,550
MD (11)/19	3,798	\$8,877,918	\$2,337,3000	\$1,285,500	\$43,214,403			WA (19)/15	4,346	\$1,192,360	\$1,734,2400		\$15,480,000
MA (12)/13	19,383	\$31,224,721	\$1,610,2500	NONE	\$40,695,000			WV (33)/35	1,841	\$1,695,827	\$921,2200		\$2,640,422
MI (8)/8	37,595	\$64,058,501	\$1,704		\$64,058,501			WI (17)/18	10,191	\$17,420,000	\$1,709,2172	\$535,606	\$20,983,000
MN (10)/20	19,033	\$46,435,000	\$2,440,6180	NONE	\$50,187,042			VT (30)/49	2,022	\$3,154,983	\$1,560		\$3,154,983
MS (27)/31	1,65	\$145,853	\$884	\$3,008,125	\$4,065,742			SD (47)/45	79	\$30,550	\$386		\$30,550

State Support for Private Higher Education Notes and Explanation of Attached Chart

The attached chart extrapolates data from two sources to provide “ballpark” numbers concerning state support for private higher education. The two sources are the February 1999 NAICUSE report entitled “Report on State Assistance Programs Benefiting Independent Colleges and their Students” prepared by Marjorie Suckow and Juan C. Yniguez; and the March 1998 NASSGAP report entitled “28th Annual Survey Report for the 1996-1997 Academic Year on State-Funded Scholarship/Grant Programs” prepared by Kristen DeSalvatore and Linda Hughes.

The NASSGAP report is the source of data on need-based awards to in-state private college students and 1995 population rankings.

The NAICUSE report is the source of data for Non-Need Grants to In-State Private College students, and Total State Aid to Private universities.

The extrapolated data presented on the attached chart shows a state-by-state listing of need-based awards to in-state private college students. The number of such awards, total dollar value and average grants are shown; in some states, where the data was available, the maximum grant allowed by law is also shown. The non-need-based support for private colleges is shown in the aggregate total dollars. Also shown is the total dollar value of all in-state support to private colleges.

Several other important facts emerge from a study of the NAICUSE and NASSGAP reports, as well as a report from the D.C. SSIG Office:

- ▶ From 1991 to 1996, 40 state grant programs increased dramatically in the total volume of dollars awarded; the District of Columbia was one of 10 programs that experienced a decrease in the volume of total in-state student aid;
- ▶ In 36 states, including Maryland and Virginia, federal SSIG dollars represent from 1% to 5% of all need-based in-state aid; however, in D.C., SSIG dollars were 43% of all need-based aid in FY97;
- ▶ The District of Columbia is the only “state” in the union to *export* the majority of its SSIG funds --- in FY97, fully 56% of D.C.’s SSIG funds supported D.C. students who attend colleges outside of D.C. In most states, **no** SSIG funds are exported.
- ▶ D.C. students attending 231 institutions of higher education nationwide received D.C. SSIG grants in FY99; only 10 of the 231 institutions are located in D.C.;
- ▶ Of a total award volume of 1,266 DC SSIG grants in FY99, 567 (44%) went to students who chose to attend colleges and universities in D.C., and 343 of those (60%) went to students attending UDC.

- The 20 largest institutions receiving D.C. SSIG funds via student grants are:

	School	#of DCSSIG Awards	Total SSIG Funds Received
+	UDC	343	\$274,200
+	Howard U.	65	49,600
+	Trinity College	48	34,950
	St. Augustine C.(NC)	45	36,000
	Virginia Union (VA)	41	32,500
	Montgomery C. (MD)	37	29,600
	Strayer (multi-state)	37	25,524
+	GWU	31	22,500
	Delaware State (DE)	31	24,800
	Marymount (VA)	29	21,575
	Norfolk State (VA)	24	19,119
	Bennett C. (GA)	23	18,400
+	Southeastern	19	12,729
	Morgan State (MD)	19	15,000
	Lincoln U. (PA)	19	14,600
+	Catholic U.	19	12,800
+	Corcoran	17	13,600
+	American U.	16	12,200
	U. Md. Eastern Sh. (MD)	13	10,400
	U. Penn (PA)	13	10,400
	U. Pitt (PA)	13	10,400

+ = D.C. colleges and universities

EXHIBIT I

INSTITUTIONAL STATEMENTS



Statement of Trinity College Regarding Tuition Assistance Grants for D.C. Residents

Prepared by President Patricia A. McGuire

Currently celebrating its centennial, Trinity College in Washington is one of the District of Columbia's historic educational institutions. Founded in 1897 to provide higher education opportunities to women at a time when no such opportunities existed in the nation's capital, Trinity today continues its historic primary undergraduate commitment to women in a broad range of programs, while also welcoming men and women in its graduate and non-degree programs. More than 6,000 people participate annually in all of Trinity's degree, non-degree, conference and special programs. As a Catholic college with a pronounced mission commitment to social justice, Trinity College today welcomes students of all ages, all faiths, all races and socio-economic backgrounds. Throughout the course of its first century, Trinity has received national recognition for its excellence and strong achievements of its graduates. Trinity is particularly proud to note that two women who have served in Congress are alumnae of Trinity: Congresswoman Nancy Pelosi (D-CA), and recently-retired Congresswoman Barbara Kennelly (D-CT).

Because of Trinity's historic mission to provide access to a higher education to people historically denied such access --- women --- the modern Trinity remains deeply devoted to ensuring access for students who might not otherwise attend college. While overt admissions barriers no longer keep women out of college, more subtle barriers continue to discourage many students from realizing the lifelong personal, social and economic advantages of a college education. Today, the principal barrier tends to be financial; and, financial barriers to a college education continue to have a disproportionate impact on women of color and women who are trapped in impoverished conditions that constrain their ability to realize their full potential for themselves and their families. Trinity continues to be dedicated to empowering such women to surmount these challenges to earn their college degrees.

In the last two decades, Trinity has found an increasingly acute need for its historic mission on its doorstep in northeast Washington. Trinity's profile today clearly illustrates the College's commitment to providing broad educational opportunity for D.C. students:

- ▶ 40% of Trinity College's students, 630 out of our total population of 1,565, are D.C. residents;
- ▶ 28% of Trinity's full-time freshmen in the Fall of 1998 were graduates of the D.C. Public Schools;

- ▶ Full-time D.C. students at Trinity receive *average* Trinity College grants of \$6,900, a 51% tuition discount;
- ▶ *Trinity-funded aid to D.C. students exceeds \$1,000,000, fully 6% of Trinity's \$16.5 million budget;*
- ▶ In the fall of 1998, the total number and dollar amount of Trinity's institutional grant support for D.C. freshmen *exceeded the total number and dollar amount of Pell Grants and Federal Loans also taken by D.C. students;*
- ▶ More than 60% of Trinity's students are African American and Latina;
- ▶ 625 of Trinity's students are adult working women enrolled in Trinity's Weekend College; 460 are younger women enrolled full-time in the weekday program; 475 are men and women enrolled in our graduate programs, most of whom will become teachers in D.C. and surrounding jurisdictions;
- ▶ In addition to the more than \$1,000,000 that Trinity College provides to our D.C. students, Trinity helps its D.C. students to obtain more than \$4,000,000 more in federal student aid and other private assistance.

Even with more than \$5,000,000 total in financial assistance, many of Trinity's 650 D.C. students still face considerable financial challenges in pursuing their dream of a college education. Some ultimately have to drop out for financial reasons, but others persist in finding creative ways to continue in college. They work long hours --- too many hours for students who are supposed to be concentrating on their studies. Some of Trinity's 18-year-old freshmen from D.C. must also work 30-to-40 hours a week to earn enough money to support themselves; few of their families can support their college education, and many of these students are so motivated that they are actually turning over some of their earnings to support their families in addition to paying their own college and living expenses. They do it because they know that a college degree will make all the difference in their own future, and the future of their children and families.

These students choose Trinity because they have determined that this institution can best meet their educational needs. They find the location and classes convenient, the faculty accessible and caring, the co-curricular program interesting and supportive. They enjoy the particular support of the women's college environment, a place that focuses on empowering them to become as successful as possible. Such students should not be forced for financial reasons to abandon a place that serves their learning needs so well. Their future success will more than justify the investment in their education.

The difference of several thousand dollars through the in-state grant program would make a huge difference for Trinity's D.C. students. For too many students, the difference of as little as \$3,000 in a grant determines whether they will stay in school and succeed academically. These D.C. residents are as worthy of support as those who choose to attend public universities outside of the District.

The attached chart displays Trinity's enrollment and financial aid data for D.C. students.

TRINITY COLLEGE
WASHINGTON

ENROLLMENT AND FINANCIAL ASSISTANCE
FOR DISTRICT OF COLUMBIA RESIDENTS ATTENDING TRINITY
FOR THE ACADEMIC YEAR 1998-1999

ENROLLMENT	FINANCIAL AID
Total Enrollment All Programs: 1,565 Total D.C. Enrollment: 629 (40%) <i>Demographic Profile:</i> <i>(Fall 1998 IPEDS for Full-Time Students)</i> <i>Black</i> 52% <i>White</i> 20% <i>Hispanic</i> 11% <i>Asian/Pacific Island</i> 5% <i>Other</i> 12%	Total Financial Aid All Sources: \$12,667,186 Total Trinity-funded Aid: \$2,500,000 Total Aid to D.C. Students: \$5,081,333 <i>(464 recipients)</i> Trinity Grants to D.C. Stu.: \$1,063,602 Total Pell Grants to D.C.: \$450,033 Total Federal Loans to D.C.: \$3,470,698
WEEKDAY PROGRAM Total Enrollment: 461 D.C. Residents: 183 (40%) <i>Full-Time First Year:</i> Total Weekday Freshmen: 117 D.C. Residents: 48 (41%) D.C. Public School Grads: 33 (28%)	<i>Aid to D.C. Weekday Students: (\$2,500,324)</i> <i>(178 recipients out of 183 enrolled - 97%)</i> Federal Grants: \$322,875 Federal Loans: \$1,071,648 Fed. Wrk-Stdy: 95,500 Trinity Grants: \$1,010,371 <i>Aid to D.C. First Year Students:</i> Pell Grants: \$88,325 - 33 recipients Federal Loans: \$198,103 - 34 recipients Trinity Grants: \$291,750 - 46 recipients Average Grant: \$6,900 (51% tuition disc.)
WEEKEND COLLEGE Total Enrollment: 628 D.C. Residents: 264 (42%)	<i>Aid to D.C. Weekend Students: (\$1,380,968)</i> <i>(171 recipients out of 264 enrolled - 65%)</i> Federal Grants: \$123,508 Federal Loans: \$1,243,115 Trinity Grants: \$14,345
GRADUATE PROGRAM Total Enrollment: 476 D.C. Residents: 182 (38%)	<i>Aid to D.C. Graduate Students: (\$1,199,971)</i> <i>(115 recipients out of 182 enrolled - 63%)</i> Federal Grants: \$3,650 Federal Loans: \$1,155,935 Trinity Grants: \$38,886



THE PRESIDENT

June 22, 1999

COMMITMENTS TO DISTRICT OF COLUMBIA RESIDENTS

by

THE GEORGE WASHINGTON UNIVERSITY

The range of commitments that The George Washington University continues to make to the District of Columbia community are outlined in the attached publication:

GW Community Commitments.

A prime example of this outreach, relevant to the Testimony being provided to you by President Patricia A. McGuire on behalf of the Consortium of Universities of the Metropolitan Washington Area, are the full, four-year scholarships that have been provided by The George Washington University for ten consecutive years to residents of the District of Columbia. These scholarships, currently worth \$130,000 per student, cover tuition, room and board, books and fees for four years of undergraduate study at The George Washington University. These awards are offered to academically talented D.C. Public High School seniors, with the number of new recipients varying each year from four to as many as eight.

The attached Press Release announces the awarding of these scholarships to eight D.C. Public High School students who will begin their college studies in the Fall of 1999. This year's offer alone is valued at \$1,040,000 in scholarship assistance, and, together with other grants and work-study programs, makes GW the largest single post-secondary contributor of aid to D.C. Public Schools. GW's total commitment since the inception of this one program is in excess of \$6 million.



NEWS

OFFICE OF UNIVERSITY RELATIONS • WASHINGTON, D.C. 20052 • (202)994-6460

FOR IMMEDIATE RELEASE

March 23, 1999

CONTACT: Karen Sibert

202/994-9023

GW TO AWARD \$1,040,000 IN FULL SCHOLARSHIPS TO EIGHT DCPS STUDENTS

Annual Awards Make GW Largest Postsecondary Contributor of Scholarship Aid to D.C. Public School Students

WASHINGTON -- The George Washington University has announced the recipients of the annual Stephen Joel Trachtenberg Scholarship (formerly the GW Presidential 21st Century Scholars Program). Recently renamed for GW President Stephen Joel Trachtenberg by the Board of Trustees in honor of his decade of service to the University, the awards program is in its 10th year of providing full, four-year scholarships covering tuition, room and board, books and fees to academically-talented D.C. Public High School seniors.

This year, eight outstanding seniors received the offer to attend GW free of financial obligations. The awardees are: **Shelby Braxton-Brooks** of Duke Ellington School for the Arts, **Michelle Deal and Fatima Pashaei** of Benjamin Banneker Academic High School; **Zineb Benkirane** of Woodrow Wilson High School; **Laura Kemoli and Tanisha Robinson** of Eastern High School; and **Linda Rivera and Ngar Yu** of School Without Walls. GW selected the students based on their class rank, GPA, SAT score, course of study, teacher recommendations, leadership qualities, community service and other extracurricular activities and achievements. The scholarships will be renewed annually provided the recipients meet the University's academic progress standards.

"We're committed to beginning our search for the best and brightest here in our own backyard," said Trachtenberg. "This may be one of the most consequential things we're doing for the District of Columbia right now -- expanding the range of academic choices for D.C. students and relieving their families of a huge financial burden."

Valued at \$130,000 per scholarship, the Trachtenberg Scholarship Program, along with other grants and work-study programs, have made GW the largest single postsecondary contributor of aid to D.C. Public Schools for the last six years. GW's total commitment since the inception of the program is more than \$6 million.

-- GW --

JUN 21 1999

GALLAUDET



UNIVERSITY

OFFICE OF THE PRESIDENT

(202) 651-5005
 (202) 651-5508 (FAX)

KENDALL GREEN
 800 FLORIDA AVE. NE
 WASHINGTON, DC 20002-3695

June 18, 1999

The Honorable George Voinovich, Chair
 Senate Subcommittee on Oversight of Government Management,
 Restructuring and The District of Columbia
 601 Hart Senate Office Building
 Washington, DC 20510

RE: H.R. 974, D.C. College Access Act/S. 856

Dear Senator Voinovich:

Gallaudet University applauds the effort that you and members of your Subcommittee have undertaken to promote better post-secondary educational opportunities for residents in the District of Columbia. Gallaudet is a member of the Consortium of Universities of the Washington Metropolitan Area (CUWMA) and we are pleased with the opportunity to provide input on this important legislation.

Gallaudet is the world's only university for deaf and hard of hearing undergraduate students. We also provide graduate degree programs and continuing education courses for deaf, hard of hearing, and hearing students. Ever since President Lincoln signed our charter in 1864, Gallaudet has had the privilege of working closely with Congress to ensure the success of this University. Senator John McCain and Representatives David Bonior and Ray LaHood are members of the Gallaudet University Board of Trustees.

Gallaudet also has the Pre-College National Mission Programs (PCNMP), which is comprised of the Kendall Demonstration Elementary School and the Model Secondary School for the Deaf (MSSD). In recognition of Gallaudet's unique mission in the field of deaf education, PCNMP is mandated by Congress to devise, develop, and test innovative and exemplary courses of study for deaf and hard of hearing students, pre-K through 12th grade.

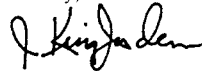
The establishment of MSSD was mandated by The Model Secondary School for the Deaf Act, which was signed into law by President Johnson on October 15, 1966 (P.L. 89-694). Fully accredited by both the Middle States Association of Colleges and Schools' Commission on Secondary Schools and the Conference of Educational Administrators Serving the Deaf, MSSD provides a comprehensive day and residential four-year high school program for students from various states and United States territories.

The Honorable George Voinovich
June 18, 1999
Page Two

Given the history behind the establishment of MSSD and its special mission within PCNMP, it is not part of the D.C. local school system nor is it considered a D.C. private school. Of the 210 students enrolled in MSSD however, 25 of them are D.C. residents who could potentially benefit from the passage of H.R. 974/S. 856.

As a member University, Gallaudet supports CUWMA's position regarding this legislation. There are many positive aspects in this bill that will create a "win-win" situation for all those involved, especially D.C. residents of whom some are MSSD students. Again, I commend the efforts of your Subcommittee and look forward to informing these students about their enhanced opportunities as soon as this bill is enacted.

Sincerely,

A handwritten signature in black ink, appearing to read "I. King Jordan". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

I. King Jordan
President

HOWARD UNIVERSITY

OFFICE OF THE PRESIDENT

May 27, 1999

The Honorable George V. Voinovich
317 Hart Senate Building
Washington, DC 20510

Dear Senator Voinovich:

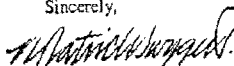
I hope this letter finds you well. I am writing to express my appreciation for your support and exceptional leadership as a member of the Senate, with particular emphasis on your work with the recent DC-Tuition bill. Because of your due diligence with this critical legislation, many college-bound students living in the District will be able to attend the college of their choice.

Although I acknowledge the many strengths of the House legislation, I would be remiss to disregard the language in the Senate version that relates to the administration of the program, which states in relevant part:

The Secretary [Education] shall carry out the program under this section in consultation with the Mayor of the District of Columbia. The Secretary may enter a grant, contract, or cooperative agreement with another public or private entity to administer the program under this section if the Secretary determines that doing so is a more efficient way of carrying out the program.

I feel that adherence to this section of the Senate bill will ensure the timely implementation of this important initiative consistent with the legislative intent. Moreover, our local youngsters/future leaders are naturally eager to take advantage of this remarkable benefit. Please know that your advocacy in this regard would be most appreciated, and I thank you for your consideration on behalf of all who stand to benefit from your leadership on this issue.

Sincerely,



H. Patrick Swygert
President

HPS/hm



EXHIBIT 2

National

The New York Times
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June 12, 1999

For '99 College Applicants, Stiffest Competition Ever

By ETHAN BRONNER

The signs have been evident for several months: top high school seniors rejected by colleges of their choice, second-tier institutions overwhelmed with excellent applications, state universities raising admission requirements.

Now, interviews with scores of college and high school officials and preliminary statistics appear to confirm what stunned seniors and their parents suspect: that the college application season just ended was the most competitive in the nation's history.

More students crowding into the freshman class.

A roaring economy, a population boom, an increasingly sophisticated education industry and a growing belief that college is necessary for success have raised the stakes for acceptance to the nation's better colleges. And there is every indication that the trend will intensify over the next 10 years.

"We have just never had anything like this," said Robert Zemsky, director of the Institute for Research on Higher Education at the University of Pennsylvania. "It's a kind of college mania, with suburban schools sending 70 to 80 percent of their students to college. Other routes into the work force are withering. Vocational education has been cut nearly in half. This is the wave accompanying globalization of the economy."

The data available so far tell a compelling story. The number of students enrolled in four-year institutions of higher education is at an all-time high -- 14.8 million registered for this fall, up from the record 14.6 million in fall 1998.

The number of children enrolled in kindergarten through 12th grade is also at an all-time high and is expected to grow until 2008. The number of students projected to graduate from high school this year

Exhibit 2
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 Permission of
 New York Times

-- 2.8 million -- falls below the record of 3.2 million in 1977 when the last baby boomers reached college age. But the portion expected to go to college is up significantly to 67 percent today from 50 percent then, according to the National Center for Education Statistics.

The College Board says the number of high school seniors taking the S.A.T.'s has been hitting yearly records lately with a jump this year to more than 1,300,000 from last year's 1,173,000. In 1977, the number of S.A.T. takers was about 980,000.

Every year at this time, the National Association for College Admission Counseling publishes a list in which colleges advertise the slots left open in all their classes. This year, as in the past, hundreds of institutions are on the list. But many of the better-known colleges that have appeared in the past are not on the list this year.

One result of the pressure has been that the way applicants groom themselves for college has taken on greater importance.

"It used to be that people worried about having a good résumé upon leaving college," said Terry W. Hartle, senior vice president of the American Council on Education in Washington. "The stakes have now moved down the chain, with students wanting a good early start including good high school internships to get them into college."

But lately, even that approach does not seem to assure success.

Matthew D. Lerner, who is graduating from high school in Swampscott, Mass., this month, is seen by many of those around him as an academic star and model college applicant.

His S.A.T. scores were 750 out of 800 on the verbal section, 700 out of 800 on mathematics; he took all advanced placement courses this year and received the highest possible mark, 5, on his advanced placement calculus test. He was president of his school's political action club, drum major in the high school band and religious director of his synagogue youth group and is a published poet.

Lerner applied to Harvard, Brown, Georgetown and Wesleyan Universities and the honors program at the University of Massachusetts. He was accepted only at UMass although he made the waiting list at Wesleyan.

"Upset" doesn't begin to describe how I felt," Lerner said. "I fell into a mild depression."

An array of teachers and his principal and rabbi all approached

Wesleyan to urge that he be admitted. In the end that is what happened, but it was a piece of good luck. Wesleyan, which had a record number of applicants, was a rarity among highly selective colleges in taking anyone from its waiting list. Many of the most selective colleges took no one.

The director of admissions at Brown, Michael Goldberger, said the college's applicant pool for this year's entering class of 1,360 included 3,000 students scoring 750 or better on the verbal portion of the S.A.T. and 3,500 ranked in the top five of their graduating classes.

John DiBiaggio, the president of Tufts University in Medford, Mass., said it had turned away one third of the valedictorians who applied and a number of applicants with perfect 1,600 S.A.T. scores. The college received 13,500 applications for 1,200 spots and accepted fewer than last year. Yet, more of those accepted decided to come, and there are 90 more freshmen than beds, creating a housing shortage for the fall.

Mount Holyoke College is facing a similar problem with 50 more accepted students than it has room for. So is Trinity College in Hartford.

Many other colleges and universities -- Vanderbilt in Tennessee, Pomona in California, Furman in South Carolina, Wabash in Indiana -- have had record years.

"There is a sea change out there," said Carl Bewig, director of college counseling at Phillips Academy in Andover, Mass., one of the nation's most selective preparatory academies. "I have been in this business for 30 years and I can't remember a time when there has been such a shift."

College counselors and others who watch the admissions process say that early in this season they detected crowding at the top colleges, and figured it was because it is now so easy for students, aided by computers and the Internet, to apply to many colleges. Besides that, the thirst for brand names has never been greater and top universities have greatly increased their financial aid as their endowments have risen with the stock market.

The theory went that at less selective institutions there would be far less pressure. Each student might have submitted numerous applications but ultimately could choose only one college. Then the other places would open up.

That has not turned out to be the case. Colleges that a decade ago worried about finding enough good students are now happily

overwhelmed.

An example is Muhlenberg College in Allentown, Pa., which had a record number of applicants for the fourth straight year. The college admitted 200 fewer students than last year in order to cut its acceptance rate to 55 percent and thus be considered more selective by many college guides.

Muhlenberg feels it has improved its reputation through an aggressive building and marketing campaign. The college, like many others around the country, has invested in a new athletics complex and student union, intending to make it a more attractive place for prospective students, and has recruited and advertised around the country.

The fortunes of places like Muhlenberg are all the more remarkable when considering the growing number of alternatives to attending a private college, like on-line learning and for-profit universities, and the much cheaper alternative of state universities.

Demographers call the current generation of students either the baby boomlet or the baby boom echo because they are the children of the generation that bulged so markedly after World War II.

The population increase has also been fed by immigration from Latin America and Asia and is heaviest in the South, West and Northeast. Moreover, Americans have moved in record numbers to the Sun Belt over the last generation. As a result, San Diego State University, faced with a 28 percent increase in applications this year, now requires a higher grade point average, 3.2 out of 4.0 instead of 2.5.

There are states, like West Virginia, Kentucky and Indiana, where there is a projected decrease in 18-year-olds because of a drop in births in the early 1980's.

But that has not translated into reduced applications and attendance at major colleges in those states. Indiana University and the University of Kentucky have reported excellent application pools over the last two years.

West Virginia's college-age population is expected to drop by 14 percent by 2008. Yet Marshall University in Huntington, W. Va., decided last year to increase its acceptance standards because of the growth in its application pool. Five years ago, there were 11,000 students at the university; now there are 16,000.

"Our residence halls are so loaded we are putting kids up in hotels," said Jim Harless, director of admissions. "Each year, our freshman

class has increased by anywhere from 3 to 10 percent."

The consumers of higher education have grown more sophisticated. Today, applicants roam the World Wide Web, bargain over financial aid and apply to colleges far beyond their immediate radius.

The increased willingness of students to apply to colleges at the other end of the country is a reflection of the nation's increased prosperity. Parents have more money to spend not only on studies but on their children's dormitories and apartments, and colleges have far more money to offer in scholarships.

Traditionally, when the economy thrives, community college attendance goes flat, but the current trend contradicts that pattern.

Community colleges queried in Iowa, Massachusetts, North Carolina, Oregon, Texas and Washington State all reported rises in enrollments this year, although South Carolina and Nebraska say applications have not increased. Part of the success of the two-year colleges comes from increased numbers of foreigners enrolling at them.

Karl M. Furstenberg, dean of admissions at Dartmouth College, said that what had really struck him this year was the huge number of students with top grades and test scores all applying to the same colleges.

"This makes our job harder," Furstenberg said. "But it forces us to look at the intangibles, such as critical thinking. But how many more excellent students can we turn away?"

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Expanded Higher Educational Options for District of Columbia Students Act of 1999

Testimony of Dr. Julius F. Nimmons, Jr., President
University of the District of Columbia

Senator Voinovich, members of the Subcommittee on Oversight, Management, Restructuring and the District of Columbia, I am Julius F. Nimmons, Jr., President of the University of the District of Columbia. I have come here today to speak to you about merits of the proposed Expanded Higher Education Options for District of Columbia Students Act of 1999 and its impact on the University of the District of Columbia. My remarks are focused toward that end.

Let me first say that I sit here at a great disadvantage. Among all the stakeholders in this noteworthy initiative, the University of the District of Columbia is the most needy and the most vulnerable of all, and I am concerned that in speaking up for our great institution, I stand the risk of appearing as a dissenter, when in fact, I am deeply grateful that you are willing to put significant resources into supporting higher education for the citizens of the District of Columbia, and that we all are able to come together on this issue.

This is a risk I am willing to take if I can help you leave here with a better appreciation for our predicament, the critical role the University plays in supporting our citizens' higher education goals, productivity, and contribution, and the need for maximum investment in this great resource to the city. We mean no harm to your great intentions. Nor do we mean to alienate our friends and colleagues who also stand to benefit from the proposed Act. We are here only to correct a serious wrong and to acquire greater fiscal security and stability for the one institution that continues to serve the majority of the District's citizens.

I am sincerely appreciative of this opportunity to voice the University's position on the Tuition Assistance Bill and of the efforts of this 106th Congress to elevate higher education to the highest of priorities for the citizens of the District of Columbia. The kind of bold, innovative, and creative thinking that has gone into the proposed initiative is demonstrative of your desire to establish good partnerships between the federal and the District's interests.

Both the House and the Senate would like to put forth strong legislation that equalizes for District residents, higher educational options enjoyed by all other U.S. citizens. By design, the legislation would provide significant benefits for middle class, above-average students, and this is good for the city, because it is one step in maintaining a solid middle class presence. Yet, for the thousands of low income students, who continue to suffer poor educational attainment, whose parents can barely pay for daily living essentials such as housing and food, and who must rely on UDC to assist them in their quest for social participation and self-sufficiency, a major investment in UDC is warranted. I am certain that we don't want to end up with what amounts to

separate, but unequal educational opportunity for the majority of the citizens of the nation's capital.

Congresswoman Norton, along with others of you, has worked very diligently on our behalf to secure current year enhancement funding for the University in the amount of \$1.5 million, and she has advocated aggressively for our inclusion in the Department of Education's Title III program. We are truly grateful for this support. Yet, in the face of what UDC has suffered for the past ten years, in view of the enormous task we face in educating the masses, and at risk of sounding ungrateful, I am forced to ask for an amount far above that. By right, we should be and should have been a participant in Title III funding, and while the funding enhancement targeted under Public Law 106-31 is a much-appreciated enhancement that we intend to use to support urgent needs, we need more, as I will discuss below.

The Mayor would like to assume the administration of scholarship funding that would emanate from the Act. We have no issue with that, but for you to appreciate how we arrived in our current fiscal predicament, there are facts that I must state about the city's disinvestment in UDC that would make it appear that we are at odds with our local government, when, in fact, we exist only to serve the needs of the city.

There is a structure in place in the District to accommodate administration of the fund. There is a State Student Incentive Grant Program in the city that provides need-based financial support for District residents to attend the institution of their choices. Last year, due to funding constraints, 2,057 applied and 1,266 students benefited from the fund. The applicants were students from both public and private high schools. Already you can see a gap in need versus resources and our citizens could use your support on this. Three hundred and forty three (343) out of 428 – a little over one one fourth - chose to attend UDC, with selected local universities and HBCUs second in applications and awards in the low to medium double digits. D.C. residents are sparsely enrolled in other colleges and universities throughout the country. For this applicant group, only 178 institutions out of the universe of 2,159 four-year institutions are involved. In most cases, only one or two D.C. residents are enrolled in some 165 schools. We have provided a chart depicting the applicant pool.

We want a bill that reflects what is fair, equitable, and right for all the citizens of the District of Columbia and one that is representative of our willingness to really work together to support the goal of higher education attainment for our residents. As president of UDC, I am committed to a new vision and a set of concrete actions that will move the University forward and improve its outcomes through solid working relationships the District government, the federal government, our corporate partners, and with the D.C. public school system. We have begun to effect a new Strategic Plan, aligned with the workforce development and quality management reform goals of the District, with specific action steps, and measurable goals and objectives. However, principal to achieving these institutional goals is the infusion of significant, emergency funding, because it is our belief that the city's educational infrastructure is in a state of crisis.

We need funding to re-build our teacher education program. At a time when half of the public school teachers have approached retirement age, when special education in the city is a critical need, and when the city struggles to recruit qualified, reform capable teachers, we need a strong infrastructure that satisfies teacher supply. We also need funding to establish a high quality technology program. We have begun to put this together, but the high cost of a technology infrastructure is beyond our present capability. The Board of Trustees recently approved a new program in Hospitality, Travel, and Tourism, and although the faculty are anxious to begin this program, funding limitations prevent a full blown effort. Given the increasing influx of non-English speaking citizens, we must increase resources for our English-As-a-Second-Language program. Our Aerospace Technology program, one of the few in the nation - a high demand field with cross-over career opportunities, needs radical enhancements. Distance Learning is a high priority for the University, and we must get on board with the needs of our citizens to conveniently access higher education options wherever they live and work. Also, we've been trying to establish a presence in the East of the River community, so that the residents there have a visible symbol of the possibilities. We have ideas about how to do this in a cost-effective manner. In addition, in our drive to become more self-sufficient, we need to build capacity in development and auxiliary enterprises. These are but some of the initiatives we have targeted and we've put together an accounting of our most pressing needs, along with the requisite issues and cost-benefit analyses for your consideration.

I'd like you to know that the University's Board of Trustees is being re-built with a group of dedicated and vigorous business and community leaders, educators, and scholars. We have restructured our internal operations and have identified and recruited the most highly skilled, energetic, and motivated staff to lead the various operating units and functions. For the first time since 1992, the University has received stable funding in its FY 1998 and 1999 appropriations. Our FY 1999 appropriated budget was set at \$37.8 million; and we've generated fairly significant non-appropriated revenue in the amount of \$16.6 million for a total gross operating budget of \$54.4 million. We experienced a modest surplus that we have used to begin some needed infrastructure improvements during FY 1999. Enrollment for Fall, 1998 rose to 5,284 - an 11% increase, with enrollment of first-time freshmen increasing by 70%. The attrition rate from Fall, 1998 to Spring, 1999 was very low - only 2%, and this is indicative of the seriousness of our students to acquire a college education. We project an enrollment increase in excess of 7,500 by 2001. We've started an aggressive renovation effort, with several classrooms, the library, and campus grounds significantly improved. We've managed to begin two new technology training programs - one for Welfare-to-Work participants and the other for more advanced learners in order to meet some of the regional demand. Over 78% of our faculty now hold the doctorate degree from prestigious institutions throughout the world. Lastly, for the first time in our history, we have applied for and gained accreditation of our business programs.

The Control Board, the D.C. Council, and the Mayor specifically have identified education as one of the top three priorities for the city. In its 1998, "Graduating to a Better Future," the Control Board specifically acknowledged that "there is a strong present and future requirement for a public university in the Nation's Capital. "That university," they remark, "is UDC." Further, the Control Board has stated unequivocally that "(i)t is clear that UDC was never fully funded to accomplish its multiple missions – **even before serious funding declines during the District government's financial crisis...**" citing deep reductions to its appropriated funding and \$30 million in deferred maintenance. In its "Economic Resurgence of Washington, D.C.," the Department of Housing and Community Development adopted as Strategy Action 15: "Expand the Role of the University of the District of Columbia." Finally, the forces of the city are realizing the financial needs of the institution and the need to invest in what is perhaps its most valuable economic development engine.

Recognizing this, the University of the District of Columbia is tasked to take on a uniquely important role. The theme that guides our direction, "A Renewed University for a New Century," reflects a five-year approach to preparing the University to compete in the 21st Century and to fulfill its task as the principal vehicle for achieving inclusion for the city's minority citizens in the new global economy.

The core strengths that we possess will result in maximum outreach, efficiency, and effectiveness. We believe we can accomplish a great deal more with your financial contribution and assistance. Our students are worth your investment and support.

Postsecondary options for the majority of District residents have only existed for some thirty-odd years. Prior to the enactment of civil rights legislation, and the subsequent establishment of the Federal City College and the Washington Technical Institute, the single option available to District residents was a lone teachers college, the District of Columbia Teachers College, itself, formed in the mid 1950s through the merger of two separate teacher training institutions – one for Black residents, the other for Whites. All other institutions of higher education in the city and throughout the country, except for the other HBCUs, provided only limited access, by virtue of then existing exclusionary laws and policies that prohibited or restricted the admission of minorities. Only in the latter quarter of the 20th Century have the mainstream institutions opened their doors to District residents, and still these options remain few in number. For the majority of D.C. residents, postsecondary education is still a new phenomena. A great many of UDC's students are still only first generation college attendees. District residents are only now beginning to understand and benefit from the impact that higher education can have on their ability to be mainstreamed into our society as productive, contributing, self-sufficient citizens.

I want to emphasize that UDC is the state system of higher education for the city – by statute and by merger of the predecessor institutions, we comprise the community college, four-year, graduate, and first professional divisions of a typical state system. The difficulty in effecting this comprehensive mission has been in funding. In order for this nation's capital to be able to cultivate, attract, and retain a thriving middle class

base, we need the kind of investment only you are able to provide. Both low and middle income citizens need your assistance. The middle class, although self-sufficient by any standard, can ill-afford to pay the increasing costs of college. Quite frankly we have been banking on that fact as a clear indication of the future viability of UDC, hoping that as you see more residents choosing to attend UDC, greater investment in the University would ensue. UDC was not established originally as an HBCU. Although now a federally-designated HBCU, we do not view ourselves as exclusionary, but rather our HBCU designation serves to alert minority and disadvantaged residents that they are specifically welcomed and have a chance to excel at our institution.

Almost on a daily basis, we witness the departure of many of our best families from the city because they seek a strong K-12 foundation for their children. Thus, our interest is also in investment at the K-12 level of education in the city. No higher education institution can properly service D.C. residents if they are without a strong K-12 foundation. I believe that this, more than other incentives, will spur renewal in the city and make more effective the intended results of any higher education funding provided. We've got to have better feeder systems in the city that support the incentives you are willing to provide. The Superintendent is working diligently to shore up the public school curriculum, but she, like UDC needs your support.

Although gains are being made, we estimate that it will take the next five years to re-build K-12 achievement. So that the first question that emerges is what do we do with the estimated 15,000 students that will emerge from the D.C. Public Schools prior to the reforms taking hold?

A review of the Scholastic Aptitude Test (SAT) scores for District public high school students reveals a steady average in the mid 330s in Verbal and the low 370s in Mathematics. Through no fault of their own, District students have consistently scored roughly 100 points below the national average. We failed these kids, with a system that had no academic standards, with teachers not certified in their various disciplines, and with school buildings that were falling apart. In 1996 a follow-up study was conducted by the school system on its 1994 graduates. Of the 1994 graduating class of 3,207 students, only 1,534 – a little less than half - participated in the SAT examination. While most colleges and universities in the country require the SAT examination, UDC does not. No other postsecondary institution in the city and few in the rest of the country will take on the postsecondary educational challenges these citizens face

Even more interesting is the fact that of the 67% of the 1994 class reporting enrollment in postsecondary education, the percentage receiving student financial assistance was very small. This is the case even among those graduating from the most academically-focused high schools. The fact that so few of these students are obtaining financial assistance, is a significant factor.

The vast majority of UDC's students are graduates of the D.C. Public School system. Roughly 78% of those graduating from D.C. Public Schools and going on to

college, enroll in the University of the District of Columbia. Some enroll straight out of high school; others enroll after a period of respite from all schooling.

Upon first hearing of the proposed legislation, I have to tell you that the University community was terribly upset for it appeared that another blow had been dealt the institution. In fact, potential benefactors around the globe have heard about the proposed legislation, and absent any provisions for substantive investment in the University, they have expressed concerns about putting their money into developing the institution, when it appears that we are being targeted for extinction. A strong show of support is required to reverse these unintended results of the proposed bill.

You see, we take great pride in what we have been able to accomplish, particularly in the face of the dramatic funding reductions we have endured over the past several years. Although we have been hit hard at every turn in our plans to reconfigure UDC into a modern, cutting-edge institution – having to go so far as to shut down, albeit briefly, in order to re-group and move forward – I believe you will come to realize the power of our institution – the steadfastness of our faculty in their mission to educate the city's neediest residents – the commitment of our staff in providing critical support services – the faithfulness of our students and alumni in responding to the sound of the alarm for help.

From 1992 to 1997, the University of the District of Columbia witnessed a fifty percent (50%) reduction to its "state" appropriation, from roughly \$79 million to \$37.8 million. This occurred because the city, itself, was facing a monstrous deficit. Every District agency took a hit, and UDC was not spared. The forced reduction came mid-stream, in the middle of the academic year, after the budget had been set; after faculty contracts had been signed. No facilities budget had been provided the University for several years. Our buildings were literally crumbling. This was a terrible time for us. The D.C. Financial Responsibility and Management Assistance Authority began to conduct several reviews, directed to determining UDC's relevancy to the city and the extent to which public support for the institution should continue. Our accrediting body, the Middle States Association of Colleges and Schools, placed us on warning that our financial position threatened the continuation of our level one, ten year accreditation. We were barraged with press reports that the institution would shut down. Our students panicked. By Fall, 1997, undergraduate enrollment declined to an all time low of 4,754. Even we, as committed as we were, began to wonder about our ability to survive. The complete erosion of educational opportunity and, therefore access, was a possibility facing us.

During these difficult times, we found our greatest asset to be a resourceful, energetic, and dedicated administration, faculty, and staff. Following the abrupt resignation of then president Tilden J. LeMelle, and facing a four-month deadline, I was literally catapulted to the helm of the institution to resolve our dilemma. Dramatic steps had to be taken to bring on-board resources in line with the reduced appropriated funding.

With little time left, both conventional and radical measures were used to address the problem: massive reductions in force, employee furloughs, draw down of financial reserves, and the sale of peripheral assets. UDC was forced to dismiss many well-skilled employees, both staff and faculty, alike; and it dismantled many of its crucial functional areas, including Institutional Advancement, Public Affairs, Alumni Relations, and Administrative Services. These became "luxury" units that we could ill afford. I was forced to turn to the only apparent asset the institution owned, and I was able to successfully negotiate the sale of the University's radio station at \$13 million – an asset that no one predicted would yield such returns. Our cable television operations were shut down. It appeared that we lost virtually all means of telling our story to the public at large. We proceeded to move out of costly leased space. We suspended our maintenance and custodial services contracts. No one thought we would survive. Many thought we had closed our doors. The critics emerged, however, our team persevered and successfully placed UDC on the road to recovery. We balanced the FY 1997 budget, thereby causing Middle States to lift its warning and restore the University's level one accreditation. Indeed, the Middle States Association of Colleges and Schools has remarked that never before has it witnessed an institution emerge whole, from such a devastating five year reduction in appropriations. This, alone, speaks to the inherent strength, talent, and dedication of the UDC community. The survival of UDC is, indeed, a testament to its worthiness of the financial support proposed under the Act.

Under the proposed legislation, the Congressional Budget Office has estimated that UDC will require at least \$40 million to "raise UDC's quality to the level of the premiere public universities across the country," and they are right – we need more than \$40 million to elevate the University to 21st Century standards.

It is widely acknowledged that UDC has not benefited significantly from its land grant status, as have other land grant institutions under the first Morrill Act. Its land grant status was achieved 100 years after the passage of the Act. UDC is not a Black land grant institution under the 1890 Act, but a traditional land grant institution under the 1862 Act. Nevertheless, the financial benefits accorded both Black and traditional land grants have not been accorded UDC, for different reasons. On inception, the other land grants received heavy investments by the federal government to establish and engage centers of academic excellence. Through this kind of investment, many of the HBCUs have been able to establish a niche for themselves that has resulted in increased enrollment of non-minority students. UDC has received no such support.

In lieu of land, UDC received an endowment of a one time cash disbursement of \$7.8 million, and no more – the principal of which was to remain in tact, for thirty years restricted to investment in "safe" financial instruments – essentially pass book accounts. The Mayor has recently amended this provision and now we can invest in high yield instruments like other colleges and universities do. But we have lost very significant gains by not being allowed to participate in the aggressive stock market and mutual fund windfalls of other endowments. Our endowment stands only at \$8.7million. By comparison, the University of Maryland endowment is approximately \$283 million; the

University of Virginia, \$1 billion; Howard University, \$218 million, Chicago State, \$378 million; and Southern University, \$275 million.

Although holding land grant status, UDC is prevented from receiving important dollars under Agricultural Hatch Act formula funding that other HBCUs and traditional land grants receive, because the funding is based on rural farm land and rural population figures. Thus, the city of Washington, and thus, UDC, is at a great disadvantage. In addition, the University misses out on over \$1 million per year in Agriculture funding that other state land grant institutions get due to the city's inability to match the funds, dollar for dollar.

For the past thirty years, Title III Higher Education Act provisions allowed HBCUs over \$1 billion in enhancement funding. UDC has never received any of this funding - \$60 million that we should have had, but which was denied to us because of concerns that our HBCU sister institutions would individually suffer some reduction in their annual payments, if UDC was added to the eligible pool. You see, simultaneous to the University gaining recognition as an HBCU, Title III was re-written to include a restriction prohibiting UDC from being awarded this funding, based on the erroneous notion that UDC received an annual direct appropriation from Congress, as does Howard University at \$200 million per year.

Nowhere in the language of the federal payment authorization or subsequent appropriations bills accompanying this authorization do UDC or public higher education in the District appear. In fact, the federal payment specifically speaks to lost tax revenue due to the large federal, non-taxable land mass; funding for the retirement plans for police, firefighters, K-12 teachers, and judges; water and sewer services provided the federal government; transitional payments for St. Elizabeth's Hospital; criminal justice initiatives; and jobs programs. The federal payment represented but 19% of the District's revenue base - payments in lieu of direct consumable services - not bonus payments for needed enhancements. A very serious injustice was done to us, which we have been trying to correct for several years, now.

Lastly, United Negro College Funds (UNCF) provide support only to private HBCU institutions. Thus, UDC received no such funding.

The District of Columbia faces a serious challenge to reclaiming its youth and placing them on a path for educational, work, and life success. As the city prepares itself for the 21st Century, through bold initiatives to revitalize its downtown and neighborhood infrastructures, at the forefront of the city's concerns is the movement of its citizens to full employment and economic self-sufficiency.

Over the past two decades, the economic position of young people who have not gone on to college has deteriorated markedly relative to those with more education. School officials estimate that more than half of the public school students leaving high school before graduation, drop out before completing the 10th grade year. In 1995, only 53% of students who had entered D.C. high schools in ninth grade graduated four years

later. District-wide, roughly 14% of teenagers are not in school and do not have a high school diploma. In high poverty Wards 6 and 8, over 20% of the teenagers are not in school and do not have a diploma. These young citizens face permanent detachment from the legitimate economy. The labor market is simply not available to them. However, for those who make it to the 12th grade, the graduation rate is from 85-100%.

D.C. unemployment hovers at 8.3%, with unemployment for Blacks and other minorities at 12%. Over one third of all working age adults in the District are not in the labor force, and 42% of Blacks working age adults are not in labor force; some 20,000 (9%) working age African American adults in the city can be classified as "working poor;" Roughly two thirds of the city's African American population have less than a four-year college education.

Two dynamics: school drop out and low postsecondary participation, alone, portend a population that is ill-prepared for the demands of a 21st Century labor force. The educational system's output is the labor market's input. Thus for the city of Washington, this is a most critical challenge. In a region prospering with an overabundance of high paying, high demand jobs, **District residents occupy only 34.4% of the total positions in the District of Columbia; and only 2.9% of the total positions in the suburbs.** This is directly the result of low skill and low educational attainment. Yet, the greatest job growth between 1994 and the year 2005 will occur for individuals with some form of postsecondary education. Jobs requiring the bachelor's degree will grow by one forth - twice the level for occupations requiring less education and training. We've got roughly 300,000 adults now in the labor force, who now and in the foreseeable future will require more advanced education and additional skills training.

Although surrounded by more than eleven higher education institutions, residents of the District of Columbia are not enrolled in these institutions in significant numbers. Roughly one hundred (100) District of Columbia residents are enrolled at the undergraduate level in each of these nationally-focused institutions, with the exception of Howard University, Trinity College, and Southeastern University, with roughly one thousand (1,000) and four hundred (400) undergraduate District residents, respectively. Strayer College also enrolls a significant number of District residents, but these tend to be older, working adults. Thus, UDC enrolls from four to fifty-seven times the number of District residents present in the other institutions. Eighty-one percent of our undergraduate students are District residents.

At the height of UDC's existence, our undergraduate enrollment figure has risen as high as 10,000. The majority of our students consistently reside in Ward 4 – a high middle class community, with Wards 7, 1, 5, 3, and 6 following in descending order. Together, Wards 7 and 8 comprise 20% of our enrollment. We now have 508, roughly 10% of our student body coming from Ward 3 – more than from Wards 2, 8, and 6, and virtually equal to our enrollment of Ward 5 students. For Fall, 1998, 47 students from private high schools enrolled in UDC, up from 23 in Fall, 1997. We are concerned that

our best and brightest students will be creamed off the top, should the bill as currently configured pass.

Of the total 1998 undergraduate enrollment, roughly two thirds were part-time students, with an average academic load of nine credit hours per semester. This is typical of the enrollment pattern of District residents, as the majority of them must work to support themselves while pursuing postsecondary education, and many of them have dependent children to attend. It is terribly costly to live in the District of Columbia and we question the ability of parents and students to be able to support the housing and board costs not covered by the bill, while maintaining a District presence. The state institutions vary in having on-campus housing and board. This is an issue that requires careful attention. Far more challenging, perhaps, are the limitations resulting from substandard school performance and standardized test scores the majority of District students bring to the admissions process. Both the states of Maryland and Virginia recently reported turning away in-state students with 3.7 grade point averages and 1,200 on the SAT. Demand within their own states is high because the private institutions are so costly.

UDC has consistently earned a national ranking by the highly prestigious National Research Council of the National Science Foundation that places us among the top twenty of all four year colleges and universities in the country whose African American undergraduates go on to earn the doctorate degree – in some cases we are among the top six of all 2,159 of these institutions. This is no minor accomplishment, and I am certain you can appreciate how very few African Americans, indeed, other members of disadvantaged minority groups – earn this kind of distinction, and the role that UDC plays in moving more minorities to high levels of participation in areas of critical national need. All told, UDC has produced over 17,500 Bachelor's degree recipients – 90% of whom were D.C. residents - since the establishment of Federal City College. Imagine the statistics if there were no UDC.

Yes, we have open admissions, and yes, we take those students that no one else is willing to work with. Yes, some of them take a long time to finish their programs, and yes, all of them don't succeed. But when they do - they are a mighty, mighty force. And if you don't believe this, go talk to the more than twenty UDC graduates at NASA-Goddard – one of whom is the highest ranking African American there – the one who fixed the Hubble telescope and saved the United States from a serious international embarrassment. Ask Trevor Cox, who grew up in the drug-riddled Clifton Terrace apartment complex who now heads up the fiber optic network project for Corning Industries. Or Mark Williams, the product of a single female headed household, who dodged bullets in his Dunbar High School neighborhood to get to UDC's campus, and who now sits with some fifteen UDC engineering specialists at the U.S. Patent Office. Ask any number of our graduates who now head companies, divisions of companies, and have become highly regarded workers in their fields.

Our graduates in engineering, speech and language pathology, respiratory therapy, mortuary science, nutrition and food science, and medical radiology exceed the

national professional examination pass rate – in engineering by 36%. UDC's graduates are highly marketable throughout the region and throughout the nation, and our principal concern is that this fact be recognized and promoted so that students of the District remain comfortable in making the choice they make to attend their own state institution. The residents of the city need to know that UDC's graduates have acquired highly sought-after skills in engineering, computer science, business management, marketing, television and film, nursing and other allied health professions, education, and a host of other fields and that made their marks at NASA-Goddard as senior level program managers; at the Bureau of Engraving, as one of only three currency design specialists in the country; at Nextel, as global fiber optics configuration specialists; at CBS network, as senior producers; in government as senior policy advisors, at the Public Health Service as directors of national HIV initiatives, among others.

UDC currently offers a program in three of the five fastest growing jobs requiring an Associate's degree; five of the seven fastest at the Bachelor's level; twelve of the fifteen fastest at the bachelor's plus level; and four of the five fastest growing jobs requiring the Master's degree. The institution is responding to regional demand for trained talent in high-demand areas, while placing otherwise neglected minorities on a path of full participation. And our students remain in the area, sustaining the middle class base we all covet.

Our students continue to be intelligent and active leaders, concerned about the city in which they reside, committed to making direct contributions to the community and economic development goals of the city, while raising families who will continue in the path that they have lain – one of triumph over adversity; accomplishment over disadvantage; pride over minimization. At UDC, our students advance in knowledge far above their expectations. They learn to believe in their ability to learn and to apply knowledge to real life situations. They discover a future previously unattainable to them. They learn to give life to their ideas. They give back to their communities, remaining in the region as productive workers and community activists. They will continue to be outspoken leaders of tomorrow; active participants in the local debate about issues that concern the quality of their lives and the lives of their neighbors.

We are a high caliber institution, recognized so by the Commission on Higher Education's Middle States Association of Colleges and Schools by its level one, ten-year, unconditional accreditation, and if given the kind of investment required to move the institution to greater heights could, in fact, satisfy many of the concerns expressed in the proposed legislation. However, recognizing the inability of the District of Columbia to support, of its own citizen-based tax resources, the wide-ranging state system of higher education mandated in our enabling legislation, we applaud the efforts of the Congress and the Senate to rectify this situation through special federal funding.

The District of Columbia is engaged in a battle to revitalize the city and to create of a world class, inclusive workforce and business base, that supports and sustains the regional economy, and restores a high middle class presence in the city. The University of the District of Columbia stands as an illuminating force in economic development in

the city. Because of the University's presence, more citizens are better trained and employed, there is a greater middle class presence, and thus, more consumer and tax dollars flow throughout the region. We have estimated that the District's annual investment of just over \$40 million, coupled with another \$40 million in federal, private, and University funds, results in over \$240 million or a three-fold annual return to the metropolitan community. This return is in the form of consumer purchases by University staff and students that include home mortgages, rental receipts, construction and remodeling services, utilities, telecommunications services, education and child care, health care, banking and investment, and other essential goods and services. It is enhanced by an additional \$4 - 5 million that the University expends on physical plant expenditures, including prime and subcontractor construction contracts, facilities and landscape maintenance services, and building supplies.

As a land grant institution, UDC is committed to the city's economic development and quality of life issues, particularly as they effect the socially and economically disadvantaged. By virtue of its land grant mission, UDC is equipped with the power to make a difference in the lives of our citizens, in the quality of life of our neighborhoods, in the capacity of our local government, and in the economic viability of our region. The land grant tradition of teaching, research, and service demands nothing less. The notion of Extension Services speaks to these very issues.

In summary, it is time for the University of the District of Columbia to receive the kind of financial investment that allows it to prosper and thrive. Your commitment in funding to the University is a proactive step in the right direction. Give us a chance to grow and develop, without interruptions, without seriously damaging budget reductions, without thoughtless press stories about the University that promote disharmony in our community. Give us all of the modern technologies, equipment, and infrastructure we need to et this job done, and stop limiting, restricting, and downsizing our children's opportunities. These are our children we're talking about. Their very lives depend on your protections.

By any measure, UDC is one of the best investments that can be made in the residents of the city. We need and appreciate any fiscal resources that will help fund the revitalization of our infrastructure and programs in ways that insure our ability to continue to open the door to full participation for our citizens.

Thank you.

**Remarks by Lucio A. Noto
Chairman and Chief Executive Officer of Mobil Corporation**

**Before the Senate Governmental Affairs Committee
Subcommittee for the Oversight of Government Management,
Restructuring and the District of Columbia**

Thursday, June 24, 1999

Thank you Chairman Voinovich, and members of this committee, for the opportunity to address you this morning. I have been asked to speak about the District of Columbia College Access Program (DC-CAP). I feel strongly that this program, coupled with the D.C. tuition assistance legislation (S.856 and H.R.974), will ensure that high school students in the District have affordable opportunities to attend and graduate from college.

I am here today representing a coalition of Washington, D.C.-area companies and foundations that created DC-CAP. This private sector program is dedicated to helping the District's public high school students prepare for, enter, and graduate from college. It is a wonderful program that both complements and enhances the D.C. tuition assistance bills we have been hearing about today. I strongly support the D.C. tuition assistance legislation. Without it, thousands of qualified students will not have the opportunity for a higher education.

For their efforts on the tuition legislation, I want to thank Representative Tom Davis, Delegate Eleanor Holmes Norton, and Senator Jim Jeffords. The D.C. tuition assistance bill has already received unanimous support in the House of Representatives.

DC-CAP Program

Mobil is proud to be a partner in the DC-CAP program, which we consider to be one of the most promising initiatives developed by the Washington business community in years.

This program would not have been possible without the leadership and vision of Don Graham of The Washington Post. Don conceived of this program, organized its sponsors and kept us focused on the ultimate goal of providing counseling and financial tuition assistance to these deserving students. We owe him a great debt of gratitude.

In addition to Don Graham, DC-CAP would not have been possible without the leadership of Mayor Anthony Williams and D.C. Schools Superintendent Arlene Ackerman.

To date, 16 companies and foundations participating in DC-CAP have raised \$15.6 million. Our goal is \$20 million, which will allow for long-term funding of the program, ensuring that it is in place for generations to come. DC-CAP will change, for the better, the way public high school students in the District view their future.

There are many drivers behind participation in this program. We all have a vested interest in developing an educated and diverse work force and being good corporate members of the community. Also, from Mobil's point of view, a vibrant metropolitan area is essential to attract and retain top-notch talent.

To accomplish this goal, DC-CAP is a two part program which will:

- Counsel – Provide advisors to all of the District public high schools to help students recognize that college is a realistic option; and assist students and parents in working through the complex testing, application, and financial aid process.
- Award – Provide “last dollar” financial awards of up to \$2,000 per student per year for up to five years of college. These awards will help students close the gap after all other sources of financial aid have been exhausted.

D.C. Tuition Assistance Legislation

The D.C. tuition assistance bills that we are discussing today will further ensure that these students have a viable opportunity to pursue the higher education that they deserve. This education will help them reach their potential as exceptional members of the community.

The bills before the committee would make it possible for more students to attend college by allowing District high school graduates to pay in-state, rather than out-of-state tuition rates at state colleges and universities located outside the District. The District is unique in that it only has one public university. While students in other states have an array of options for college, those in the District are limited in their choices of affordable higher education.

This legislation will work in tandem with awards from DC-CAP to ensure that students have opportunities beyond those previously available to them.

I will refrain from commenting on the differences in the House and Senate tuition assistance bills. I am here to support the intent of the legislation and emphasize its importance. The Congress needs to pass this legislation before the July recess, so that it will assist students attending college this fall.

Therefore, I am here to ask for your support. With your help, everyone benefits, particularly deserving students from the District.

Also attached to my testimony is a fact sheet on the DC-CAP program, including a list of program participants. I ask that it also be included as part of the official record of this hearing.

District of Columbia College Access Program (DC-CAP)

Attachment to the Testimony of Lucio A. Noto Chairman and Chief Executive Officer of Mobil Corporation June 24, 1999

The District of Columbia College Access Program (DC-CAP) is a non-profit organization created and funded by a coalition of Washington-area companies and foundations dedicated to helping the District's public high school students prepare for, enter, and graduate from college.

With more than \$15.6 million from 16 corporations and foundations in hand, DC-CAP is well on its way to meeting its \$20 million endowment goal. DC-CAP will:

- Counsel – Provide advisors to all of the District's public high schools to help students recognize that college is a realistic option; and assist students and parents in working through the complex testing, application, and financial aid process.
- Award – Provide "last dollar" financial awards of up to \$2,000 per student per year for up to five years of college. These awards will help students close the gap after all other sources of financial aid have been exhausted.

The need in the District is urgent. Fewer than 55 percent of the freshmen entering the District's public high schools earn a diploma, and only about one-third pursue any type of post-secondary education. As a result, too many of the District's youths are not participating in the region's economic growth. College graduates earn more, with an average income of \$40,478 per year, compared with \$22,895 for high school graduates. By helping more District students gain a college education, DC-CAP will contribute to their future success and the region's overall prosperity.

This mission has been successfully accomplished by similar programs in other cities. For example, the Cleveland Scholarship Programs, Inc. has served more than 90,000 "at risk" students, 93 percent of whom have gone on to college or vocational school. The CollegeBound Foundation in Baltimore has an approximately 78 percent college retention rate among its scholarship recipients. In these cities and elsewhere, the right combination of counseling and financial support has helped thousands of students to be the first in their families to attend college.

A pilot program at six District public high schools (Cardoza, Bell Multicultural, Anacostia, Dunbar, Roosevelt, and Woodson) will begin in September 1999, and make its first financial awards in June 2000. The city's remaining public high schools will join the program in September 2000.

With leadership and funding in place, DC-CAP is ready to help make the difference for thousands of District of Columbia students who otherwise might not pursue a college education.

DC-CAP participants to date include: the AOL Foundation, Bell Atlantic Corporation, the Morris & Gwendolyn Cafritz Foundation, the Stephen Case Foundation, the Fannie Mae Foundation, the Philip L. Graham Fund, Lockheed Martin Corporation, the J. Willard & Alice S. Marriott Foundation, the Eugene and Agnes E. Meyer Foundation, Mobil Corporation, The Nasdaq Stock Market, Inc., Riggs National Corporation, Sallie Mae, the Summit Fund of Washington on behalf of AES Corporation, USAirways, Inc., and The Washington Post.